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WORLD WHEAT PROSPECTS

Summary

Reports of winter wheat sowings for the 1933 crop in 15 countries total about 100,000,000 acres, or 1 per cent smaller than the acreages of the same regions last year. According to the United States Bureau of Agricultural Economics, this reduction is of considerable significance inasmuch as these countries represent over 40 per cent of the total Northern Hemisphere's winter and spring wheat crop excluding acreages of Russia and China. Furthermore, Russian sowings of winter wheat, according to recent reports, have amounted to only about 28,000,000 acres, compared with over 32,000,000 acres last year. Smaller acreages than last year have been sown in the United States and Russia, and a larger acreage in Europe, while in North Africa there appears to have been little change.

The world market, however, continues to be burdened by heavy supplies of wheat, while import takings are smaller than those of last year. The surplus of wheat available for export in the four principal exporting countries, (United States, Canada, Argentina and Australia) plus United Kingdom port stocks and quantities afloat is estimated to be 1,024,000,000 bushels as of January 1, compared with 1,035,000,000 bushels a year earlier. While world shipments of wheat showed a marked rise during early January to levels higher than any which had obtained during previous weeks of the season, it nevertheless seems likely that total shipments from January to June will not be as large as those of last year. However, shipments from Russia and the Danube Basin are likely to be insignificant this year and it is possible that other countries may export about as much wheat as last year. Consequently, the reduction in

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surplus stocks from January 1 to July 1 of 1933 in the positions mentioned above may be about as large as the reduction was in 1932.

With an even smaller yield of winter wheat indicated in the United States than that of last year, and the probability that the unusually high yields of 1932 in western Europe will not be repeated this year, it seems quite likely that there may be some reduction in the total world crop outside Russia and China. Smaller Russian sowings and the difficulties which that country has been experiencing in making procurements and in executing its plan for the seeding of wheat in the coming season, makes it seem rather doubtful that Russian exports will be large next year except in the event of very favorable yields.

Consequently, there are a number of hopeful aspects in the supply side of the wheat marketing outlook during 1933 in spite of continued heavy stocks in accounted for positions. In view of indications of the past 6 months, both in the United States and abroad, that the declines of business activity have been stopped, there seem to be fairly good prospects that demand conditions will be no worse than in the past year. Hence there is reason to believe that conditions in the world's wheat markets may show a gradual though irregular improvement during the coming year.

Winter Wheat Area and Crop Condition

Preliminary reports indicate that a smaller winter wheat acreage has been seeded during the present season in North America, a larger acreage in Europe aside from Russia and about the same acreage in North Africa.

The area sown to winter wheat in the United States in the fall of 1932 was estimated at 39,902,000 acres, a reduction of 1.3 per cent from the acreage sown in the fall of 1931. This is the third successive year in which reductions of winter wheat sowings have occurred and the acreage sown last fall is the smallest sown in any year since 1923. The condition of the winter wheat on December 1, 1932 was reported at 68.9 per cent of normal, as compared with 79.4 per cent on December 1, 1931.

Canada also reports a smaller wheat acreage but the winter wheat acreage there is small compared with the total acreage, amounting to only 2 per cent of the total in 1932.

Data so far available for Europe, excluding Russia, show an increase compared with 1932. The total area in the 11 countries for which estimates have been received is 40,178,000 acres against 39,059,000 acres last year, or an increase of nearly 3 per cent. Unofficial reports from Italy indicate the probability of an increased acreage. An official report from Great Britain stated that the wheat area had been increased 17 per cent over the 1932 area. A marked decrease is noted in the area sown in Russia. The area sown last fall is estimated at 28,058,000 acres, a decrease of 13 per cent from the area sown in the fall of 1931 and 4 per cent below the area sown in the fall of 1930.

The area in the three principal North African countries appears to be about the same as last year, the decrease in the durum acreage being offset by an increase in other wheat, according to a report from Assistant Agricultural Commissioner Mallory. In Tunisia the area is probably much less than last year, but an increase is indicated in Algeria, while in Morocco the area sown last fall is about the same as in the fall of 1931.

The first official forecast of the area sown in the Punjab, India, which normally represents about one-third of the total Indian wheat acreage is reported at 9,172,000 acres, a decrease of 15 per cent from the corresponding estimate of the 1932 area. The condition of the crop in the Punjab was reported at 90 per cent of normal compared with 95 per cent at the same time last year.

Table 1.- Winter wheat: Area sown in specified countries, 1930-31 to 1933-34

Country	Crop year 1930-31	1931-32	1932-33	1933-34
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
United States	43,562	43,520	40,420	39,902
Canada 1/	1,042	560	568	556
Total (2)	44,604	44,080	40,988	40,458
Bulgaria	2,979	2,937	3,058	2,911
Czechoslovakia	1,911	1,962	1,997	2,151
Finland	30	32	30	34
France 2/	12,608	11,724	12,894	12,864
Germany	3,996	4,653	4,882	4,902
Greece	1,432	1,496	1,496	1,667
Hungary	4,155	4,058	3,884	3/ 4,028
Latvia	128	149	173	182
Lithuania	381	410	420	389
Rumania 4/	5,954	5,508	4,987	5,861
Yugoslavia	5,212	5,275	5,218	3/ 5,189
Total (11)	38,786	38,204	39,039	40,178
Punjab, India 2/	10,781	10,709	10,758	9,172
Total (14)	94,171	92,993	90,785	89,808
Estimated N. Hemisphere total winter and spring acreage, excluding Russia and China	213,600	213,100	214,200	
Russia	23,367	29,172	32,336	28,058

1/ Area sown to October 31. 2/ First forecast. 3/ Estimate of the Belgrade office of the Bureau of Agricultural Economics. 4/ Area sown to December 1.

World Trade and Surpluses

The surplus of wheat for export or carry-over in the four principal exporting countries (United States, Canada, Argentina, and Australia) plus United Kingdom port stocks and quantities afloat, is estimated to be 1,024,000,000 bushels as of January 1, 1933, compared with 1,035,000,000 a year earlier. These estimates are subject to some change if changes occur in estimates of crops or in domestic utilization in the various countries, but in any event supplies in these positions are about as large as they were a year earlier.

The extent to which these surpluses will be reduced by July 1 is largely dependent upon how much importers take in the 6 months January to June, but is also dependent upon supplies available from other exporting countries. Continental European import takings during the first 6 months of this season have been much below those of the previous season primarily because of large crops. Although the takings of importing countries can hardly be as much below last season's level during the second half of the season as during the first, it is probable that they will be smaller from January to June 1933 than during the corresponding months of 1932. The influence of these reduced takings

on exports from non-European countries will be at least partially offset by the fact that only smaller supplies are available in the Danube Basin and in Russia. Total January to June shipments from these sources last year amounted to 13,000,000 bushels whereas in the current year they are expected to be insignificant. Altogether it seems probable that the reduction of surpluses in the four principal exporting countries, plus United Kingdom port stocks and quantities afloat, will be no larger and may not be as great from January 1 to July 1 this year as they were during that period last year. Hence the carry-over in these positions on July 1 will probably be about as large as, or possibly a little larger than, it was on July 1, 1932.

There is little yet available to indicate the probable size of the 1933-34 world wheat crop. Yields for the world, excluding Russia and China, in 1932-33 were slightly above the average of the preceding 12 years, the very low yields in the United States being more than offset by higher-than-average yields in other countries. If yields outside the United States should be average in 1933-34, and if there should be no change in acreage, then the total production for the world, excluding Russia and China, would probably be somewhat below that of 1932-33, for there is the prospect of an even smaller winter-wheat crop in the United States in 1933 than in 1932. Such a decrease in the world crop, outside Russia and China, would more than offset any increase in accounted for carry-over that might occur.

Russia remains a rather uncertain factor in the world situation. Although its wheat exports may not be so small as in the current season, they are not expected to be very large in the 1933-34 crop year. The 1933 outturn is unknown, but several factors in the present situation suggest that exports will not be so important in the coming year as in the 1930-31 and 1931-32 seasons. In the first place the wheat acreage for harvest in 1933 is expected to be below that of the last 2 years. Fall wheat sowings (which make up at least one-third of the total of the area) are about 13 per cent below those of a year earlier, and the acreage seeded to winter rye (which comprises almost the entire rye area) is about 2 per cent less. The 1933 spring sowing plan for wheat is only moderately above the actual spring sowings of 1932 and is considerably below the 1932 planned spring acreage. It is reported that emphasis is now being placed upon the desirability of increased yields rather than increased acreage. This, if effective, will result in a larger production on the present acreage, but a considerable part of the 1932 fall sowing was put in after the best sowing period - this increases the possiblity of winter damage. Crops appear to have got off to a poor start in the important wheat regions of southern Russia. Some delay in spring seedings may likewise occur inasmuch as fall plowings for spring planting were markedly less extensive in the fall of 1932 than at the same time in 1931. In addition, some modification in the procurings or collecting system, which would not exact so large a portion of the crop produced as formerly, appears imminent for the coming year.

Table 2--Wheat: World supply, price and disappearance, 1921-22 to 1932-33

Year	Production						
	United States	Canada	Argentina	Australia	Europe 1/	All other 2/	World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22 ...	819	301	191	129	1,222	515	3,177
1922-23 ...	847	400	196	109	1,044	607	3,203
1923-24 ...	760	474	248	125	1,257	655	3,519
1924-25 ...	840	262	191	165	1,058	610	3,126
1925-26 ...	669	395	191	115	1,397	613	3,380
1926-27 ...	834	407	230	161	1,216	648	3,496
1927-28 ...	875	480	282	118	1,275	641	3,671
1928-29 ...	926	567	349	160	1,410	599	4,011
1929-30 3/	813	305	163	127	1,450	703	3,561
1930-31 3/	857	421	232	214	1,362	727	3,813
1931-32 3/	900	321	220	190	1,434	723	3,788
1932-33 3/	727	429	231	200	1,486	672	3,745

Year	Shipments from Russia	Stocks accounted for July 1 4/	Total supply	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents
1921-22 ...	5/	309	3,486	3,193		120
1922-23 ...	7	293	3,503	3,191	136	113
1923-24 ...	21	312	3,852	3,505	121	105
1924-25 ...	6/	347	3,473	3,196	179	135
1925-26 ...	27	277	3,684	3,406	170	163
1926-27 ...	49	278	3,823	3,484	164	135
1927-28 ...	5	339	4,015	3,582	154	135
1928-29 ...	6/	433	4,444	3,827	129	112
1929-30 3/	7	617	4,185	3,616	131	120
1930-31 3/	112	569	4,494	3,838	80	76
1931-32 3/	72	656	4,516	3,847	59	47
1932-33 3/		669			(54)	(45.6)

1/ Excludes Russia.
2/ Excludes Russia and China.
3/ Preliminary.
4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia and Canada, the United Kingdom port stocks and supplies afloat.
5/ Not available.
6/ Less than 500,000 bushels.

Table 3.- :-Wheat, including flour: Supply, distribution and disappearance in continental United States, 1927-28 to 1932-33

Item	Year beginning July					
	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
SUPPLY	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Stocks, July 1:						
On farms 1/	26,717	23,431	45,829	47,417	31,865	71,925
In country elevators and mills 1/	21,776	19,277	41,546	60,166	30,252	41,817
Commercial stocks 2/	21,052	38,587	90,442	109,327	203,967	168,405
In merchant mills & elevators 3/	37,038	31,920	48,279	46,670	21,808	63,502
In transit to merchant mills 3/ ...	11,274	10,893	16,237	14,706	12,198	9,929
Stored for others by merchant mills 3/.	- -	- -	- -	12,500	18,413	7,080
Total wheat as grain	117,857	124,108	242,333	290,786	318,503	362,658
Flour (in terms of wheat) 4/	9,076	9,019	13,541	20,497	6,886	7,041
Total wheat and flour.....	126,933	133,127	255,874	311,283	325,389	369,699
New crop 1/	874,633	926,130	812,573	857,427	900,219	726,821
Imports (flour included) 5/	15,734	21,442	12,956	19,059	12,886	
Total supply	1,017,300	1,080,699	1,081,403	1,187,769	1,238,494	
DISTRIBUTION						
Exports & shipments:						
Exports (flour included) 5/	206,259	163,687	153,245	131,475	135,795	
Reexports (flour included) 5/.....	53	55	72	20	864	
Shipments (flour included to Alaska, Hawaii, and Porto Rico 5/	2,690	3,172	2,977	2,850	2,797	
Total	209,002	166,914	156,294	134,345	139,456	
Seed requirements 6/..	92,693	85,375	84,814	81,302	79,092	
Disappearance for food, feed and waste	582,478	572,536	541,512	646,733	650,247	
Carry-over, June 30 7/	133,127	255,874	298,783	325,389	369,699	
Total distribution	1,017,300	1,080,699	1,081,403	1,187,769	1,238,494	
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
Population, Jan. 1 8/	119,029	120,694	122,359	123,630	124,511	
Per capita disappearance:	Bushels	Bushels	Bushels	Bushels	Bushels	
For food, feed, and waste	4.89	4.74	4.43	5.23	5.22	
For food, feed, seed and waste	5.67	5.45	5.12	5.89	5.86	

Bureau of Agricultural Economics. Compiled as follows: 1/ Based on returns to the bureau from crop reports. 2/ Bureau of Agricultural Economics. 3/ Bureau of the Census figures raised to represent all merchant mills. 4/ From Chicago Daily Trade Bulletin. 5/ From reports of Foreign and Domestic Commerce of the United States. 6/ Amount of seed used per acre from returns to the bureau from inquiries sent to crop reporters. 7/ For individual items see above. 8/ Bureau of the Census.

Table 4.- Wheat: Surplus for export or carry-over in the principal exporting countries, United Kingdom port stocks and stocks afloat, January 1, 1930-1933

Country or position	1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States:				
Domestic wheat	340	343	415	386
Canadian wheat	39	32	25	14
Canada:				
Domestic wheat	208	253	230	279
United States wheat	9	5	29	7
Argentina 1/	102	154	140	147
Australia 1/	79	165	142	148
Total	777	952	981	981
United Kingdom port stocks:				
Wheat	15	18	22	
Flour (as wheat)	1	2	2	
Afloat for United Kingdom	8	10	13	
Afloat for Continent	11	10	9	
Afloat for orders	9	7	8	
Total	44	47	54	43
Total	821	999	1,035	1,024

1/ Surplus from new crop plus carry-over from old crop.

Wheat Prices

Wheat prices at United States markets changed very little during the first half of December. During the last half of the month prices declined, but an advance during the first part of January regained all of the loss of the latter part of December. May futures at Chicago on the first of December were 49-1/4 cents per bushel. There was not much change from this price until the beginning of the third week of the month when a decline set in carrying prices to the low of 43-7/8 cents on December 27. During the first part of January, May futures advanced 6 cents from 44-1/2 to 50-1/2 cents. This advance was probably due to slow deliveries at terminal markets and may have been the result of the trade discounting prospects of farm relief legislation designed to raise wheat prices. May futures at Liverpool changed very little as a result of the Chicago advance. On January 3 the spread between Chicago and Liverpool was 4 cents per bushel, Liverpool above Chicago. On January 10, May futures at Chicago closed at 50-1/4 to 50-1/2 cents, while the close at Liverpool was 49-3/8 cents per bushel. On the 16th of January Liverpool was again above Chicago but only 2 cents higher. At Buenos Aires, where a new crop is now being harvested, prices declined somewhat during December. A small advance during the first week of January was followed by another decline during the second week, leaving February futures on January 14 at 36-7/8 cents per bushel which was about 12-3/8 cents under Liverpool. On the 1st of December Buenos Aires was 10 cents under the Liverpool price.

Cash wheat in general followed the course of futures prices except that the advance in January came a few days later than the advance in futures prices.

No. 1 Dark Northern Spring and No. 2 Amber Durum at Minneapolis advanced more during this period than did the prices of both hard and soft winter wheats. Prices of domestic wheat at Berlin and Paris changed very little during December and early January. Prices at Milan advanced slightly during the latter part of December. Prices of wheat at the Danube markets, except in Rumania, declined during this period because of the accumulation of stocks.

Table 5.- Wheat: Price per bushel at specified markets, November 4, 1932 - January 14, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Nov. 4...	42.1	49.9	38.9	42.4	52.7	48.6	129	121	153
11...	43.7	50.9	38.8	42.1	51.8	48.7	129	120	155
18...	44.2	54.0	39.0	41.8	52.1	48.0	128	116	157
25...	41.5	50.2	37.6	40.9	52.3	47.1	127	119	156
Dec. 2...	41.8	49.4	35.4	40.4	51.3	46.3	8/126	8/118	8/155
9...	42.7	50.2	33.6	40.6	50.4	46.1	121	117	-
16...	42.5	49.9	32.5	37.8	49.1	46.2	122	117	157
23...	41.8	48.1	31.1	36.9	47.8	47.5	121	116	157
30...	40.2	45.8	31.8	35.5	46.6	46.8	121	116	157
Jan. 7...	43.2	48.4	35.2	37.1			121	114	157
14...	45.4	52.3	35.6						

Prices are averages of daily prices for weeks ending Friday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Winter. 2/ No. 1 Dark Northern Spring. 3/ No.3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/Home-grown wheat in England and Wales. 7/ Domestic. 8/ November 29.

Table 6.- Wheat: Closing prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1931	1932	1931	1932	1931	1932	1931	1932	1931	1932	1931	1932
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Oct. 24) 3/	72	53	64	46	79	51	68	50	75	--	4/ 54	4/42
Dec. 23)	55	45	47	39	64	43	49	37	57	--	4/ 43	4/36
31	57	45	50	39	68	42	53	39	58	48	43	38
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
Jan. 7	57	49	49	43	68	47	53	42	57	51	5/ 44	39
14	59	48	51	42	69	46	54	40	55	49	5/ 42	39

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ High and low for period. (Oct.24-Dec,23,1932)(Oct.26-Dec.24, 1931). 4/ February futures. 5/ March futures.

Table 7.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western white Seattle 1/	
	1931	1932	1931	1932	1931	1932	1931	1932	1931	1932	1931	1932
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Oct. 21) 2/	72	51	62	45	83	55	93	52	65	49	76	50
Dec. 16) 2/	59	47	48	41	71	49	78	47	52	47	59	45
30	58	44	51	40	74	46	83	47	56	45	65	42
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
Jan. 7	59	46	52	43	74	48	86	49	57	48	64	44
14	61	50	53	45	77	52	86	55	56	50	64	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (Oct. 21-Dec. 16, 1932) (Oct. 23-Dec. 18, 1931).

Danube Basin Wheat Situation During December 1/

Seedings for the 1933 crop. Relatively high internal wheat prices as a result of short crops in 1932, together with favorable weather conditions for planting, and the supplying of seed wheat by Government agencies has resulted in the planting of a full acreage of winter wheat in Danube Basin countries.

The acreage planted in the entire Basin in the fall of 1932 is estimated by the Danube Basin office of the Bureau of Agricultural Economics at 19,348,000 acres, compared with 19,269,000 acres sown in the fall of 1931, the 1930 fall plantings of 20,079,000 acres, and the 5-year average fall seeding 1926 to 1930 of 18,785,000 acres. This estimate is supported by information from trade sources, and recently released official information, which indicate a full acreage of winter wheat in Hungary, Rumania and Yugoslavia and an acreage somewhat below normal in Bulgaria.

Fall seedings were delayed by dry weather in September, and the first half of October. Later in the season however, sufficient rainfall was reported in all countries except Bulgaria. The weather continued relatively mild until late in December, and farmers were able to complete their seedings in spite of the delay in September and October.

Official statistics concerning the acreage sown in the fall of 1932 have not been published except in Rumania and Bulgaria. In Rumania the winter wheat areas sown up to November 30, 1932 was officially reported at 5,861,000 acres as compared with 4,984,000 acres sown to the same date in the fall of 1931. In Bulgaria the winter area is estimated at 2,911,000 acres, or nearly 5 per cent below the 1932 area.

1/ Based on report of J. B. Gibbs, Assistant Agricultural Commissioner, Belgrade, Yugoslavia, December 21, 1932.

Early sown wheat has developed under favorable conditions in all countries except Bulgaria, where the moisture supply has been insufficient. Late sown wheat has started well in all sections, but in some districts it has begun to suffer from lack of moisture. More than half of the area sown in the Basin is behind its normal growth for this season of the year, and much of it will be winter killed unless there is ample snow covering during periods of low temperature.

Exports from the 1932 crop

Exports from July 1, 1932 to October 31, 1932 from the Danube Basin, with the exception of Hungary were very small. The volume of exports increased in November and was still larger in December. The recent increase results from better export outlets, because of decreased stocks in Austria and Czechoslovakia and because the Hungarian Government now authorizes larger exports.

Internal prices with the exception of Rumania, are now on the price level of markets in surrounding countries. This is evidence that internal stocks have accumulated. It is expected that stocks will continue to increase, and that exports will be heavier during the spring months than during the early part of the current season.

Exports from Bulgaria have increased as a result of recent purchases by the Government Bureau for resale to exporters at prices comparable with those on world markets. In November, important quantities of Bulgarian wheat were shipped to Antwerp and Rotterdam, whereas, the largest part of the exports in December was for Czechoslovakia and Austria.

In Hungary, export permits were granted until December 1 for only small quantities of wheat, but for the month of December export permits for more than 550,000 bushels were granted.

The Hungarian trade agreements with Italy and Austria are reported to be components of a system of preferential treaties concluded on a mutual basis between Austria, Hungary, and Italy. The system provides for exceptional facilities (which are not to be granted to other countries) for the interchange of goods between the three countries. The agreement with Austria provides that exports of Hungarian goods to Austria may be 1.5 times the imports from Austria into Hungary. The agreement becomes valid on January 1, 1933. A provisional agreement has been concluded which provides for the export into Austria of 367,000 bushels of Hungarian wheat prior to the date when the January agreement comes into force.

As a result of these agreements the Hungarian Government has established an "Office for Foreign Trade" in which the Agricultural Export Institute and the Industrial Export Institute are represented. This office began operations on December 1, 1932. Its principal purpose is to grant export premiums to agricultural exports, and to provide for the payment of this premium by levying an extra percentage on the money exchange rate for foreign currencies sold to manufacturers for use in purchasing raw materials from abroad. 1/ The agricultural exporter receives the export premium when he delivers the foreign

1/ This is practically the only kind of import which is legally permissible without clearing through the official clearing arrangements.

currency obtained from the sale of goods abroad to a Hungarian Bank. The Hungarian National Bank reimburses all banks for the premiums paid to exporters of agricultural products.

On December 9, the Czechoslovakian Government reduced the import duty on Hungarian wheat and flour imported before February 28, 1933, under provision that Hungary permits the importation of an equal value of certain raw materials from Czechoslovakia.

There were practically no exports from Rumania during the first half of the marketing year 1932-33, and there have been reports to the effect that the country will be forced to import wheat before the end of the 1932-33 marketing year. It has been reported that the Government has recently permitted the import of a few carloads of Hungarian wheat into Transylvania. It is believed, however, that this wheat has been imported to supply urgent needs of mills for wheat of good quality to be mixed with poor quality local wheat. In many sections of Rumania even the poor quality wheat is being substituted in the human diet by corn, potatoes, rye, and barley. This is expected to result in a relatively large supply of wheat being carried over into the spring months, which may reduce local prices and permit exports after the conditions of roads has become sufficiently passable to permit delivery to markets.

Exports from Yugoslavia from the 1932 crop, were insignificant until the beginning of November. In November, Austria began to purchase increased quantities of Yugoslavian wheat on a compensation basis and, in December, Czechoslovakia, also, permitted wheat imports from Yugoslavia. It is expected that exports from Yugoslavia will continue during the next few months, and that they will increase materially in the late spring.

Danube Basin Markets and Prices

During the first half of the 1932-33 marketing year, prices of wheat increased materially because of a shortage of domestic wheat of good milling quality.

Relatively high prices stimulated marketings. Receipts at markets increased in September in all Danube Basin countries, except Rumania, where good quality wheat was exceptionally scarce. This increase did not continue through November and December, however, because of bad roads, and the fact that farmers were occupied with delayed winter seedings.

As a result of poor quality, short crops, and curtailed deliveries to markets, Danube Basin prices have not followed the downward trend on world markets. Prices increased during the early fall months but remained fairly constant during November and December. Present prices, with the exception of Rumania, are about on a parity with prices in surrounding deficit producing countries.

Table 8.- Wheat: Price per bushel of similar grades on the principal Danube Basin markets, by months, July 1930-November 1932 and by weeks, July 2-December 10,1932 1/

Year and month	Bourgas, Bulgaria	Budapest, Hungary	Braila, Rumania	Novi-Sad, Yugoslavia
	Cents	Cents	Cents	Cents
1930-31				
July	65	93	79	85
Aug.	79	85	75	84
Sept.	65	74	60	76
Oct.	61	72	51	70
Nov.	50	68	51	66
Dec.	52	68	53	2/
Jan.	53	68	56	76
Feb.	59	71	55	76
Mar.	65	76	51	76
Apr.	64	76	54	79
May	67	73	58	94
June	60	71	50	91
1931-32				
July	66	65	46	3/ 83
Aug.	58	48	45	3/ 79
Sept.	55	45	44	4/ 84
Oct.	56	47	5/ 45	4/ 84
Nov.	53	57	3/ 49	4/ 84
Dec.	42	65	5/ 46	4/ 84
Jan.	43	64	47	4/ 84
Feb.	44	64	47	4/ 84
Mar.	54	67	52	4/ 83
Apr.	53	65	54	64
May	55	61	56	64
June	48	59	53	62
1932-33				
Week ended				
July 2	2/	60	50	52
9	44	63	45	54
16	44	64	46	68
23	52	63	47	70
30	52	65	53	71
July average	51	63	48	65
Aug. 6	53	63	59	74
13	54	68	63	73
20	54	68	67	69
27	54	68	76	67
Aug. average	54	67	65	70
Sept. 3	54	67	75	65
10	52	67	76	7/ 59
17	51	67	76	7/ 57
24	50	68	75	7/ 58
Sept. average	51	67	75	7/ 60
Oct. 1	51	67	2/	7/ 59
8	51	68	76	7/ 58
15	51	68	76	7/ 63
22	51	67	81	7/ 57
29	51	65	81	7/ 57
Oct. average	51	67	79	7/ 60

Continued

Table 8.- Wheat: Price per bushel of similar grades on the principal Danube Basin markets, by months, July 1930-November 1932 and by weeks, July 2 - December 10,1932 1/ - Cont'd.

Year and month	Bourgas, Bulgaria	Budapest, Hungary	Braila, Rumania	Novi-Sad, Yugoslavia
	Cents	Cents	Cents	Cents
1932-33				
Week ended -				
Nov. 5	51	62	8/ 106	7/ 57
12	51	63	8/ 103	7/ 57
19	51	62	8/ 101	7/ 57
26	52	62	8/ 97	7/ 56
Nov. average	51	62	8/ 102	7/ 57
Dec. 3	52	61	8/ 100	7/ 56
10	55	62	8/ 99	7/ 56

Compiled as follows: 1930 Bulgaria: from Bulletin Mensuel de Statistique Vol.XX, No.1, January 1931; conversion rates - those used by the Bulgarian National Bank from the same source; Hungary: from Hungarian Statistical Yearbook 1930,conversion rates - those used by the Hungarian National Bank, from the same source; Rumania: from Monthly Bulletin of the Rumanian National Bank,conversion rates - those used by the National Bank of Rumania, from the same source; Yugoslavia;from daily bulletins of Novi-Sad Grain Exchange,conversion rates furnished by the Belgrade Stock Exchange. 1931 and 1932 Bulgaria: Daily bulletins of the Bourgas Exchange, January 1931 to October 1931, quotations for wheat weighing 79 kilograms per hectoliter, with 2 per cent foreign matter. November 1931 to July 1932,quotations for 78 kilogram wheat, 2 per cent foreign matter sold by the Government Bureau to exporters;August to December,1932,quotations for 80 kilogram wheat. Hungary: Quotations on the Budapest Produce Exchange, January 1931 to June 1932, quotations for Lower Tisza wheat weighing 61.4 - 62.2 pounds per Winchester bushel; July to December 1932, quotations for 61.4 pounds Lower Tisza wheat; Rumania: official quotations of the Braila Grain Exchange January to December 1931 unless otherwise stated, quotations for 1st. quality 61.4-62.2 pounds per Winchester bushel wheat; January to June 1932, quotations for 60.6 pounds wheat; July to December 1932 unless otherwise stated, quotations for 60.6-61.4 pounds per Winchester bushel wheat; Yugoslavia: daily bulletins of Noiv-Sad Grain Exchange,January 1931 to June 1932 unless otherwise stated, for Backa-Tisza wheat weighing 61.4-62.2 pounds per Winchester bushel; July to December 1932,unless otherwise stated 61.4 pounds Backa-Tisza wheat.

1/Simple average of daily prices in local currencies and converted to United States currency by using exchange rates on Zurich Exchange. Quotations of Hungarian Pengo on Zurich Exchange ceased on November 21,1931. From that date the average November 1931 gold Pengo exchange rate has been used for converting Budapest prices into dollars(Budapest wheat prices have supposedly been quoted in gold Pengo since August 1,1931) For Yugoslavian Dinars, the average New York exchange rate was used from July 1 to October 31,1932 as the dinar was not quoted at Zurich during that period. From July 1 to December 31,1930, average price for all grades. From January 1,1931 prices for similar grades. 2/No data available. 3/ Prices refer to Srem wheat weighing 61.4-62.2 pounds per Winchester bushel. 4/ Government Monopoly prices for Tisza wheat weighing 61.4-62.2 pounds per per Winchester bushel. 5/No quotations for 61.4 pounds wheat,prices refer to 60.6 pounds wheat. 6/Average composed of quotations for 60.6 pounds wheat from November 1 to 15, and for 61.4 pounds wheat from November 16 to November 30. 7/Prices refer to wheat weighing 59.0 pounds per Winchester bushel as no better grade was quoted. 8/Prices refer to 59.0 pounds Danube wheat, no better grade quoted.

The European Wheat Situation 1/

An increased acreage, due to a wide-spread policy of self-sufficiency, combined with favorable weather, produced a record wheat crop on the Continent in 1932. This, of course, greatly reduced the demand for foreign wheat. As a result, the continental import deficit for this season is now estimated at only about 185,000,000 bushels compared to 342,000,000 bushels actually imported last season. However, overseas shipments to Europe have so far been larger than last season and are expected to continue larger during the remainder of this season because of the small supplies available in Russia and the Danube countries. On the other hand, no large increases are expected since stocks of wheat on farms and in continental trade channels, particularly the former, appear to be much larger than a year ago, and the large crops of wheat and rye harvested on the Continent in 1932 have practically placed many countries on a basis of self-sufficiency as regards grain for human consumption.

Governmental control of imports, which now exists in practically all countries, is not likely, therefore, to be relaxed during the present season unless greatly reduced yields in 1933, or some equally important factor, should bring about a change in the attitude of continental countries toward internation trade.

The expansion of the continental wheat acreage continues, but many countries are finding that a large domestic crop presents serious difficulties, especially if prices are to be maintained. For this reason the acreage expansio is likely to be at a much slower rate, and in some countries a reversal of the upward trend may occur during the next year or so. At present, though, it appears that the acreage for harvest in 1933 will be at least equal to and probably 2 or 3 per cent larger than the 1932 area, but, with average yields, production would still be about 10 per cent less. This prospective decrease in production may be offset by an increased crop in the Danube countries where wheat was a partial failure this year. The acreage sown to fall grains in the Danube countries this year is above that of a year ago and yields will probably be above those of 1932.

Much has been said in recent years regarding a decrease in bread consumption on the Continent. While a reduction does appear to have occurred in certain important countries, notably Germany, Italy and Austria, available data fail to substantiate any material reduction for the Continent as a whole.

Wheat utilization in particular seems to be holding up very well, despite artificially high prices in many countries, due partly, no doubt, to the increase in domestic production. During the crop year 1931-32 the apparent utilization of wheat in Germany and Italy was respectively 8 per cent below the past 5 - year average, whereas utilization on the Continent was 0.8 per cent above avera . In the same year rye utilization in Germany was 6 per cent below average and on the Continent 8.5 per cent below average, but this was due largely to the poor rye crop harvested in 1931.

In some countries potatoes, because of their cheapness and abundance, have tended to replace bread, and until the depression became so severe, the consumption of dairy products, vegetables and fruits was increasing, partly at the expense of bread.

1/ Based on report of Assistant Agricultural Commissioner Donald F. Christy, Berlin, Germany, December 29, 1932.

The large crops of both wheat and rye harvested in 1932 may actually result in some increase in utilization, but part of the crop will in all probability be carried over into the next crop year.

Trade and especially farm stocks on the Continent appear considerably larger than at the same time last year. Port stocks are comparatively small, but the trade otherwise appears to hold more wheat than a year ago. Farm stocks are generally quite large as the governments have aided farmers in holding back their grain. Farm deliveries have not been excessive although the heavier offers following completion of the fall field work resulted in lower prices, which appears due to a lack of demand rather than to excessive supplies. It is expected that farm supplies will continue to press on the markets for some months to come.

Wheat and flour shipments to the Continent have been much smaller than in earlier years and up to December 17, amounted to only 70,440,000 bushels as compared with 100,280,000 bushels in the corresponding time of 1931-32 and 113,520,000 bushels in 1930-31. The Danube Basin furnished but very small quantities; only 1,168,000 bushels this year compared with 20,768,000 bushels in 1931-32. Shipments from Russia were also comparatively small. As a result, overseas shipments of wheat and flour to Europe have so far been in excess of last season.

Net imports of wheat and flour into 19 European countries from July 1 to November 30 are estimated at 78,000,000 bushels compared with 124,000,000 bushels last year, the decrease amounting to nearly 35 per cent.

Soviet Russia

Production. - Not since 1930 have the Russians published yield or production estimates so that the crops of the past 2 years can only be approximated through use of scattered local reports and weather observations. Fortunately, acreage figures are available rather promptly though there is considerable doubt as to their accuracy.

The following table presents certain estimates of wheat and grain production in Russia for the past 3 years. It should be noted that the 1930 data are official and represent, in the case of wheat, a downward revision from 1,088,000,000 bushels to 989,000,000 bushels. The estimates for 1931 and 1932 should be used more as rough indications of the general level of production rather than an exact estimate.

For harvest in		Acreage	Range of yield	Range of production
		1,000 acres	Bushels	1,000 bushels
1930	1/	80,490	12.3	1/ 989,161
1931	1/	92,070	8.1-8.8	750,000-810,000
1932	2/	88,724	8.5-9.1	750,000-805,000

1/ Official, taken from "Economics of U.S.S.R. " 1932.
2/ Compiled on basis of figure indicated in the stipulation of the Commissariat of Agriculture of U.S.S.R. of August 16, 1932, for winter wheat, and preliminary figures of the same Commissariat for spring wheat sowings.

The conclusions to be drawn from the foregoing table are: that production of wheat was decidedly poorer in 1931 than in the previous year, and 1932 was just as bad.

Wheat yields in 1931 were very poor as a result of extensive drought damage. In 1932 yields were somewhat better, but a superabundance of weeds, due to improper cultivation, and a shortage of labor and equipment at harvest time resulted in tremendous losses so that the amount harvested was no greater than in 1931. In addition, considerable rust damage was reported in parts of Ukraine, North Caucasus, and Lower Volga.

The smaller shipments from July 1 to December 15 this year substantiate the estimates of a smaller crop, although it should be mentioned that shipments from the 1931 crop were much larger than warranted by the eventual production, and this produced a serious food shortage which still exists in many parts of the country. Shipments of wheat from South-Russian ports for this season up to December 15, were only 14,000,000 bushels, or about one-fifth as large as the shipments during the same period last year. Shipments for the remainder of the 1932-33 season are expected to continue at low levels.

As was the case last year, the Government may find it advisable to import some grain as the food situation is reported to be even more serious than a year ago. The lack of either credits or valuta, however, will hold imports to a minimum.

The actual quantity of grain available to the Government to cover the needs of the towns and industrial population, for army supplies, for reserves, and for exports, is dependant upon the procurings. Absolute quantities have not been published, but, based on the progress reported to date, the total quantity of grain delivered to the Government by the middle of December, was apparently between 18,700,000 and 19,000,000 short tons or around 15 per cent below that delivered a year ago. Plans were only about 80 per cent complete by December 10, and wheat procurings were even less favorable than the general average for other crops. The unfavorable progress of the Government's plans is not entirely due to a reduced crop, but is partly a result of the rebellious attitude so prevalent among farmers who are very dissatisfied with their lot.

On November 20, the acreage under winter cereals for harvest next year was at least 5 per cent below that sown by the same date a year ago. Winter wheat acreage shows a reduction of from 8 to 12 per cent and rye 3 to 5 per cent. The fact that a considerable share of the above acreage was put in after the optimum sowing period, increases the possibilities of winter damage.

Important regions of the Union were particularly backward. The three chief export regions, Ukraine, North Caucasus, and Lower Volga, not only seeded 6 per cent less area to winter grains this year, but seeded over 21 per cent of this area after the optimum sowing period, against only 11 per cent seeded late last year.

As rye is nearly all fall sown, the acreage of this crop is definitely below that of last year.

Plans for spring sowings in 1933 call for an increase of 5.6 per cent in wheat plantings, but, considering the failure of the Government to fulfill past plans, next year's also seems destined to remain incomplete.

In its 1933 plans, the Government has definitely renounced its former policy of rapid acreage expansion and intends to concentrate on the improvement of cultural methods and the building up of yields. In this connection it is interesting to note the following decree of the Council of People's Commissars of the U.S.S.R. and the Central Committee of the Communist Party, issued on September 29, last:

> " ..... the acreage of the U.S.S.R. has increased by 30,000,000 hectares as compared with pre-war, particularly in the case of technical and row crops and pasture. Therefore, the acreage has expanded sufficiently, and the goal of the first stage of reconstruction of agriculture - the largest possible expansion of acreage - is attained. A further expansion under technical and row crops, which are the most intensive crops, would lead to an exceptional strain on labor and draft power, deterioration of quality, cultivation and reduction of yield. This means that the time has come when a shift has to be made from attaining increased production by means of an increase in acreage to the combatting for better cultivation of the soil, increased yield- the chief and central aim in agriculture at the present stage of developments."

The total spring acreage is to increase by less than 1 per cent, the increase under wheat, barley, and oats, to take place at the expense of other crops. The reduction in the acreage of technical and row crops is probably due to a shortage of labor as much as anything.

Under the law of averages, higher yields may be expected next year, but that the poor harvests of the last 2 years are not entirely a result of unfavorable weather, is shown by the final outturn this year. Weeks were in many fields so thick that harvesting by machinery was impossible, and it will take more than one year to rid the fields of these weeks, which are almost certain to become worse each year under the methods of farming used at present. The deterioration of machinery, the lack of draft power and the growing opposition to the Government among all farming classes are certain to present serious difficulties for some time to come.

Market Section

Germany

During recent years Germany has been tending toward self-sufficiency in the production of bread grains. While the acreage of rye has been decreasing, both the acreage and yield of wheat has shown an upward trend.

The average import deficit of wheat amounted to 52,984,000 bushels during the years 1928-29 to 1930-31, but during the crop year 1931-32 net imports of wheat were only 21,936,000 bushels. This year, with a record wheat crop, imports are expected to be insignificant. As a matter of fact, wheat production this year is more than sufficient to cover domestic requirements, but certain imports of durums and other high quality wheats are necessary in the production of flour.

While yields in the coming year cannot be expected to equal those obtained in 1932, production will be influenced by an increased acreage. The increase has been officially estimated at about 1 per cent in the acreage planted to winter wheat, and many authorities feel that the increase was greater. Unless yields are very disappointing, therefore, next year's wheat crop is expected to be not less than 165,000,000 bushels, which, under present conditions, is almost sufficient for domestic needs. Furthermore, the carry-over from this year's crop may be considerable.

It appears at present that the policy of protecting agriculture, and building up domestic production, will be continued, and there is little hope, therefore, of selling any appreciable quantities of wheat to Germany during the next several years, unless a crop failure should be experienced.

Wheat yields, which were considerably reduced following the impoverishment of the soil during the war, have trended upward for the last 12 years and are now practically at the pre-war level. Yields of other crops have also increased correspondingly, so that increased grain production in Germany has been due principally to an improvement in yields rather than an increase in acreage. The shifts in acreage as between the various grains, however, are of significance. The wheat acreage has been increased so as to practically take care of domestic requirements. The acreage of rye has shown a corresponding decrease, but production is still sufficient for domestic requirements, and the problem of the rye surplus has been made easier, except in years of exceptional yields. The acreage of barley has also been increased in order to eliminate the necessity of the heavy imports of feed barley, and the acreage of oats, of which a surplus has generally been produced, has declined.

The important potato acreage has shown little change since 1925, but, due to increasing yields, production has shown a substantial advance.

France

French import requirements of wheat in 1932-33 will be much smaller than last year. The wheat crop in 1932 was one of the largest on record, and only in years with exceptionally good crops has the total disappearance of wheat surpassed 342,000,000 bushels, which is our present estimate of the 1932 wheat crop. With such an abundant crop we cannot expect the import deficit to exceed 11,000,000 bushels, and it may be as low as 4,000,000 bushels.

This year's record crop is due mainly to an unusually high yield, which amounted to 25 bushels per acre as compared with an average of 21 bushels for the period 1927-1931. The acreage in 1932 was also slightly larger than the acreage of the period 1927-1931. As there is no decided upward trend in yields, France cannot be expected to be independent of imports in normal years unless the acreage is further expanded. It is reasonable to assume therefore, that

the import deficit in 1933-34 will be much larger than in the current crop year, even if a considerable amount of this year's crop has to be carried over.

Wheat prices were comparatively high in France at the beginning of the crop year owing to a shortage of wheat stocks, but as soon as the new wheat became available prices dropped rapidly. Price fluctuations have not been very large since September, but in general prices have tended to weaken. Considering the unusually large crop, farm deliveries were not very abundant, but since most of the field work was completed, farm offerings had substantially increased.

The Government has tried to help farmers by a domestic milling Quota, which was gradually raised to 99 per cent. Provisions have also been made to store certain quantities and keep them off the market, and several plans to regulate the wheat market have been considered by the Government and parliament recently, but the final decision as to what actual measures will be taken, has been postponed by the recent change of the French cabinet. It seems likely that additional measures for the protection of the wheat market will be taken; and some kind of a stabilization action can be expected as the French wheat market will continue to be under extreme pressure during the coming months.

Italy

Imports of wheat into Italy have been running very small so far, and total imports in the current crop year are expected to run between 15,000,000 and 29,000,000 bushels. A larger crop of wheat and corn than last year and an apparent reduction in consumption will tend to reduce the actual import requirements below the level of the past years.

The import market is not expected to experience any revival before the latter part of the season as domestic supplies are reported to be very abundant. Imports from July to November amounted to about 5,000,000 bushels as compared with about 6,000,000 bushels last year. No relaxation from the protective measures taken in favor of the domestic wheat producers can be expected until late in the season.

Italian wheat markets have ruled rather quiet during the first half of the campaign. Occasionally the markets were active, but business was restricted largely to domestic wheat. Most of the Italian wheat imports are usually made in the second half of the season when the bulk of the domestic grain has disappeared.

Wheat prices in Italy have fluctuated in rather narrow limits during the past months, although domestic wheat prices increased slightly from the beginning of the season to date.

Holland, Belgium

Import requirements of Holland and Belgium will be somewhat smaller than in the preceding season. In Holland, the domestic wheat crop of 1932 was considerably larger than a year ago, due largely to an increased acreage, and in Belgium there was also a slight increase in production. Extensive agricultural relief legislation in Holland, and to a lesser extent in Belgium, has secured

a good market for the home-grown wheat. Imports of wheat in both countries were somewhat smaller between July 1 and October 31, this year, as compared with the same period a year ago. Dutch import requirements in 1932-33 are estimated at 22,000,000 to 26,000,000 bushels as compared with an actual import of 31,000,000 bushels in 1931-32. In Belgium, the wheat deficit is expected to range from 40,000,000 to 44,000,000 bushels as compared with an actual net import of 47,600,000 bushels in 1931-32.

Of the two countries, Holland in particular has made great efforts to protect domestic wheat production by guaranteed prices, domestic milling quotas etc. The domestic milling quota is now 25 per cent, but according to recent reports an increase of the quota to 40 per cent may be expected. In Holland farmers have taken advantage of the comparatively high level of grain prices and increased their wheat acreage considerably. In order to check this movement, the Government has announced that next year the subsidies to wheat producers will only be given under certain conditions. It remains to be seen whether such an announcement will produce the desired effect or whether stronger measures will have to be taken to curtail acreage. Price relationships in Holland are in favor of a further expansion of the wheat acreage.

The wheat markets for imported grain in Holland and Belgium were generally in line with world markets. During the first half of the campaign buyers were generally reluctant and observed a hand-to-mouth buying policy. Wheat markets in December were mostly dull, but there was a limited demand for forward positions of Manitobas and Plates.

Czechoslovakia

The wheat deficit in Czechoslovakia will be considerably smaller than last year, due mainly to a larger wheat and rye crop. The crop of both grains in 1932 is 1,243,000 short tons, or about 30 per cent larger than in the preceding year, when, however, the production was below average. With the whole import trade controlled by the Grain Import Syndicate it is easily possible to restrict imports to the quantities absolutely necessary. Owing to the policy of this institute only very small quantities have been imported so far. Wheat imports amounted to 3,000,000 bushels in the period from July 1 to October 31, 1932, as compared with 7,800,000 bushels during the same period a year ago. We estimate the wheat deficit for 1932-33 at 11,000,000 to 15,000,000 bushels, as compared with an actual net import of 20,000,000 bushels last season.

In Czechoslovakia, the wheat market has been comparatively firm during the first half of the season as imports were practically cut off during several months. From December 1 to the end of February imports of grain through permission of the syndicate can be made if the business is handled on a compensation basis. Such barters are designed especially for countries which have a special clearing agreement with Czechoslovakia and where frozen credits can be liquidated. Recent reports indicate a fairly active demand for the limited quantities of grain which came in recently. There is reason to believe that a portion of the wheat crop is inferior in quality owing to rust damage; and it is not impossible that toward the end of the season there might be a certain shortage in good qualities. There is also a possibility that the official crop estimate was somewhat too high in the case of wheat.

Austria

Requirements of foreign wheat in Austria are expected to be somewhat smaller than last year owing to a larger crop and probably some decline in consumption. Considering the current rate of imports the total deficit may range between 11,000,000 and 14,000,000 bushels.

In Austria the foreign trade in grain is greatly hampered by the difficulties in obtaining foreign currency. In recent months the allotment of foreign currency has practically ceased, and importations depend almost entirely on private clearings between importers and exporters.

The wheat market was fairly well sustained during the first half of the season, which is largely due to the small quantities of foreign wheat admitted. During the past month the wheat market was very quiet, with prices practically unchanged. The demand from flour mills is reported to be very small, and it seems that consumption has declined to some extent.

Poland

The 1932 wheat crop in Poland was reduced considerably just before harvest time by extensive and wide-spread rust damage, especially in southern Poland, so that production was about 20 per cent smaller than the average for 1927-1931 and 33 per cent below last year's crop. As the wheat supplies in Poland are really short, a rather large import deficit might have been expected under normal conditions. There are, however, strong factors tending to reduce the import requirements. The rye crop in Poland was much better than last year and slightly above normal, and this is readily substituted for wheat. As export possibilities for rye are very poor this year, practically the whole of the rye crop will have to be consumed in the country. Economic conditions are desperate in Poland, and it is reported that in the cities bread consumption has declined by about 20 to 30 per cent. Our present estimate of the wheat deficit in Poland ranges from 2,000,000 to 4,000,000 bushels.

The rye market in Poland has been weak during the first half of the season in wheat, the situation was somewhat better, but less favorable than one would expect considering the poor wheat crop. Some exports of rye were made during the fall, but later on export sales have dwindled down considerably.

Table 9.-United States: Exports of wheat and wheat including flour, by weeks, 1931-32 and 1932-33

Date	Wheat		Wheat flour		Wheat including flour	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2-July 30 ...	12,731	1,962	1,005	206	17,455	2,931
Aug. 6-Sept. 3 ...	7,810	3,841	649	313	10,860	5,312
Sept. 10-Oct. 1 ..	7,711	1,692	450	202	9,827	2,642
Oct. 8-Oct. 29 ...	10,827	2,030	529	215	13,313	3,041
Nov. 5-Dec. 3 ...	10,421	2,932	725	312	13,830	4,399
Week ended						
Dec. 10	2,403	263	146	48	3,089	489
17	1,631	85	162	83	2,392	475
24	641	228	183	55	1,501	486
31	1,068	234	85	55	486	493
Jan. 7	880	596	102	47	1,359	221

Compiled from weekly report of Bureau of Foreign and Domestic Commerce.

Table 10.-Wheat including flour: Shipments from principal exporting regions, specified dates, 1931-32 and 1932-33

Date	Argentina		Australia		Danube		North America	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 2-July 30	9,360	3,264	15,780	7,672	744	208	27,048	22,896
Aug. 6-Sept. 3	7,284	3,712	9,6[illegible]	5,816	1,416	0	29,424	26,344
Sept.10-Oct. 1	5,028	3,368	6,160	6,228	8,664	16	24,888	25,200
Oct. 8-Oct. 29	5,572	2,876	6,844	6,912	9,200	360	30,040	33,864
Nov. 5-Dec. 3	6,532	4,220	6,892	9,668	7,248	904	41,864	46,440
Week ended								
Dec. 10	1,176	872	1,448	888	1,568	0	5,864	7,200
17	1,736	1,308	1,528	2,700	1,568	0	5,032	6,464
24	2,448	2,160	3,364	2,744	624	64	4,272	5,168
31	1,424	1,504	1,536	2,589	728	64	5,856	4,922
Jan. 7	1,500	1,935	3,464	4,373	312	0	5,448	3,930

Compiled from official and trade sources.

Table 11.-United States: Imports and exports of wheat including flour, July to December, 1931 and 1932

Item	July-Dec. 1931 (revised)	July-Dec. 1932
	1,000 bushels	1,000 bushels
Exports:		
Wheat	57,174	16,767
Flour in terms of wheat	21,490	10,249
Total	78,664	27,016
Imports: (July-Nov.)		
Wheat	7,000	4,442
Flour in terms of wheat	1	1/
Total	7,001	4,442
Net exports:		
Wheat	50,174	12,325
Flour in terms of wheat	21,489	10,249
Total	71,663	22,574

Compiled from official records, Bureau of Foreign and Domestic Commerce.
1/ Less than 500 bushels.

Table 12.-Wheat, including flour: Net imports into European countries, years 1930-31, 1931-32 and July 1 to latest date 1932-33

Country	1930-31	1931-32	Preliminary estimate 1932-33	Net imports reported		
				July 1 to	1931-32	1932-33
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United Kingdom	221	245	210	Nov. 30	130	89
Italy	84	33	15-29	Aug. 31	4	3
Belgium	45	48	40-44	Oct. 31	18	14
France	45	81	4-11	Oct. 31	32	24
Netherlands	35	31	22-26	Nov. 30	14	12
Germany	30	22	0-4	Nov. 30	5	3
Greece	24	24	13-18	Sept. 30	6	5
Irish Free State	19	20	19	Nov. 30	9	8
Switzerland	18	21	17-20	Nov. 30	10	9
Austria	17	15	11-14	Oct. 31	4	3
Czechoslovakia	13	20	11-15	Oct. 31	7	2
Denmark	11	17	11-15	Nov. 30	10	6
Norway	8	9	7-8	Nov. 30	4	3
Finland	5	4	4-5	Oct. 31	2	1
Sweden	5	7	1-3	Nov. 30	2	2
Poland	1/ -4	1/ -3	2-4	Nov. 30	1/ -1	1/2/
Portugal	3	2	0-0	Sept. 30	1	2
Latvia	2	1	0-1	Sept. 30	2/	2/
Estonia	1	1	0-1	Sept. 30	2/	2/
Spain	1/2/	2	0-0	Oct. 31	1/2/	8
Total	582	600			257	194

Compiled from official sources.
1/ Net export.
2/ Less than 500,000 bushels.

Table 13.- Wheat including flour: Movement from principal exporting countries, 1929-30 to 1932-33

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1929-30	1930-31	1931-32	1930-31	1931-32	1932-33	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	153,245	131,475	135,797	81,198	70,214	25,087	Nov. 30
Canada	184,213	267,365	199,563	167,534	120,683	172,433	Dec. 31
Argentina	161,265	120,638	144,920	23,271	40,818	25,089	Dec. 31
Australia	61,776	143,296	155,593	14,434	31,014	19,264	Sept.30
Russia	7,380	111,780	71,830	52,033	56,797	9,613	Oct. 31
Hungary	31,415	18,425	18,064	2,763	2,852	1,848	Sept.30
Yugoslavia	22,942	5,536	15,365	3,057	6,740	557	Sept.30
Rumania	2,560	16,059	37,184	6,536	19,960	213	Sept.30
Bulgaria	96	5,041	11,795	746	1,339	497	Aug. 31
British India(L&S)	6,798	10,197	1/ 2,913	6,839	1/ 1,519	1/ 388	Oct. 31
Total	631,690	829,612	793,024	358,466	351,936	254,992	

	Shipments as given by current trade sources						
	Total		Weeks ending			July 1 to Jan. 7	
	1930-31 (Rev.)	1931-32 (Prel.)	Dec. 24	Dec. 31	Jan. 7	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	354,008	333,638	5,168	4,922	3,930	179,736	182,428
Canada, 4 markets 3/	273,437	206,258	3,821	1,487	2,182	126,779	184,725
United States	134,700	136,010	486	493	221	83,678	28,983
Argentina	121,696	144,572	2,160	1,504	1,935	42,060	25,219
Australia	148,500	161,404	2,744	2,589	4,373	56,768	49,590
Russia 4/	92,784	71,664	736	256	552	67,152	15,744
Danube & Bulgaria 4/	15,176	39,280	64	64	0	32,072	1,616
British India	5/10,197	5/ 2,913	0	0	0	616	0
Total 6/	742,361	753,471	10,872	9,335	10,790	378,404	274,597
Total European shipments 2/	615,392	597,976	4,437	2,166	4,520	305,944	207,343
Total ex-European shipments 2/	176,330	194,434	1,587	2,570	2,924	98,040	66,124

Compiled from official and trade sources.

1/ Sea Trade only.

2/ Broomhall's Corn Trade News.

3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster.

4/ Black Sea Shipments only.

5/ Total exports as given by official sources.

6/ Total of trade figures includes North America as reported by Broomhall's.

Table 14.- Wheat including flour: Exports from principal exporting countries, October to December 1931 and 1932

Country	Oct.		Nov.		Dec.	
	1931	1932	1931	1932	1931	1932 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	15,563	4,422	13,550	5,985	12,100	1,943
Canada	21,438	42,572	29,596	29,898	24,387	29,950
Argentina	6,521	3,332	6,074	4,116	8,282	7,210
British India	2/ 278	2/ 77	2/ 213	1/ 0	2/ 210	0
Australia	7,630	1/6,912	6,398	1/9,668	9,312	6,917
Russia	13,903	3,305	6,279	1/4,384	4,350	2,448
Danube & Bulgaria 1/	9,200	360	7,248	904	4,488	128
Total	74,533	60,980	69,358	54,955	63,129	48,596

Compiled from official and trade sources.
1/ Preliminary. 2/ Sea Trade only.

Table 15.- Wheat: Average price per bushel of parcels of specified descriptions, c.i.f. at Liverpool, specified periods, 1931-32

Period	No.3 Manitoba Northern		Rosafe	
	1931	1932	1931	1932
	Cents	Cents	Cents	Cents
July	63	54	57	54
Aug.	60	58	55	58
Sept.	58	58	54	59
Oct.	59	54	54	55
Nov.	68	52	63	49
Dec.	60		54	
Week ended				
Nov. 4	70	52	66	49
11	72	52	66	49
18	68	52	63	50
25	64	52	59	49
Dec. 2	61	50	55	48
9	61	50	53	48
16	60	49	54	47
23	60	46	53	46
30	59	47	53	44
	1932	1933	1932	1933
Jan. 7	61		54	

Compiled from Broomhalls Corn Trade News.

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February 24, 1933

WORLD WHEAT PROSPECTS

Summary

Present estimates indicate that surpluses of wheat available for export or carry-over in the four principal exporting countries on February 1 were slightly below those of a year earlier. The total for the current year amounted to 920,000,000 bushels compared with 927,000,000 bushels in 1932, according to the United States Bureau of Agricultural Economics. Quantities of wheat afloat and port stocks of the United Kingdom combined were smaller than a year earlier, making a total of surpluses for export or carry-over, plus quantities afloat and port stocks for the current year of 973,000,000 bushels compared with 994,000,000 a year earlier. Since there were apparently smaller supplies for export in Russia and the Danube Basin on February 1, and since European stocks of wheat from the large 1932 harvest have been materially reduced by now, shipments from the four principal exporting countries may be as large in the next few months as they were in the corresponding period of 1932. In such an event, the July 1 accounted-for carry-over may be smaller than it was in 1932.

During the past month the wheat markets of the world have shown very little change. Early in January, there was a sharp rise in prices in the United States, and a smaller rise in some of the more important foreign markets, but a recession followed, and by mid-January prices in the United States had lost about half of their rise, whereas prices at Liverpool had lost all that they had gained in early January. Since mid-January, however, there has been very little change in prices either in the United States or in the principal foreign markets. World shipments of wheat showed a marked rise during January,

and the higher level of shipments has been well maintained thus far during February. In the last week of December a low point of 9,700,000 bushels had been reached, but in the first week of January there was an increase of about 3,000,000 bushels, and in the second week a further increase of about 5,000,000 bushels, bringing the total for that week up to 16,600,000 bushels, which is the largest figure for weekly shipments thus far during the current crop year. In the past 5 weeks, however, shipments have averaged 15,165,000 bushels weekly compared with 16,352,000 during the corresponding period of last year. Shipments from July 1 to February 11 have amounted to 369,000,000 bushels during the current season compared with 467,000,000 during the corresponding period of last season. The decline has been largely in quantities destined for European markets, though shipments to non-European countries have also been somewhat smaller than they were in 1931-32. Presumably, larger European crops of 1932 are primarily responsible for the decrease in shipments to Europe this year as compared with last. The higher level which has been maintained during January suggests that European wheat supplies may be sufficiently depleted to allow for imports during the remainder of the season about as much as those which were made from mid-February to July 1 of last year.

In Russia an order has been issued replacing the procuring system by a grain tax which is to be in kind. This change, which is to apply to the 1933 crop, may result in providing more incentive for Russian wheat growers to increase their production since they are supposed to be free to sell any grain which they produce in excess of the amount of the tax. German wheat prices have been maintained by means of purchases of the Government grain trading agency. Current takings of the mills and other trade agencies have not been sufficient to absorb farm marketings at the level of prices which the Government undertakes to maintain. Somewhat similar action is expected

in France where a bill previously approved by the Chamber of Deputies has been approved by the Senate and provides for market support in order to maintain minimum prices for the remainder of the current crop year.

Wheat Stocks

World stocks of wheat available for export and carry-over were slightly smaller on February 1 than those of a year earlier. Port stocks in the United Kingdom and wheat afloat were 14,000,000 bushels smaller. Stocks of wheat available for export or carry-over in the four principal exporting countries on February 1 totaled 920,000,000 bushels compared with 927,000,000 a year earlier. Supplies in the Southern Hemisphere were slightly larger than a year before, whereas in the Northern Hemisphere they were somewhat below those of a year earlier. In the Northern Hemisphere the surplus of domestic wheat in Canada was 43,000,000 bushels larger than on February 1, 1932, while in the United States it was about 25,000,000 bushels below that of a year earlier. Although surplus stocks in these exporting countries are only slightly larger than a year earlier, the distribution among the countries is such that the pressure on world markets may be greater than the slight increase in stocks would indicate. The effect of the smaller size of these accounted-for world stocks on world prices of wheat may be offset by the decrease in demand for foreign wheats in the principal importing countries of Europe.

Supplies of wheat in the United States available for export or carry-over totaled about 383,000,000 bushels on February 1, compared with 408,000,000 bushels a year earlier. Although this represents a reduction of 25,000,000 bushels the trend of exports during the first 7 months of the 1932-33 season indicates that a smaller percentage of this surplus may be exported during the remainder of the season than was exported during the last 5 months of the 1931-32 season. Exports of wheat and flour July 1 to January 31 this year were less than one-third of the exports for the corresponding period in 1931-32. During the last 5 months of the 1931-32 season about 55,000,000 bushels of wheat and flour were exported. An export of about 20,000,000 bushels during the last 5 months of the current season would result in a carry-over on June 30 about the same as the carry-over of a year earlier.

Table 1.- Wheat: Surplus for export or carry-over in the principal exporting countries, and United Kingdom port stocks and stocks afloat, February 1, 1930-1933

Country	1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States:				
Domestic wheat	327	339	408	383
Canadian wheat	36	27	22	11
Canada:				
Domestic wheat	200	242	219	262
United States wheat	8	5	29	7
Argentina	90	143	126	131
Australia	72	147	123	126
Total	733	903	927	920
United Kingdom port stocks:				
Wheat	14	16	16	
Flour (as wheat)	1	2	1	
Afloat for United Kingdom	11	11	19	
Afloat for Continent	13	14	14	
Afloat for orders	13	12	17	
Total	52	55	67	53
Grand total	785	958	994	973

Wheat Prices

Prices of wheat at the principal United States markets advanced rapidly during the first week of January, and while a part of this advance was lost during the second week there was very little change during the last half of the month and the first 2 weeks of February. Prices at markets outside of the United States have shown much less fluctuation since the first of January. May futures at Chicago advanced from 44½ to 50⅜ cents per bushel from January 3 to January 10 but by January 16 had declined to 46-3/4. The close on January 31 was 47-5/8 and on February 14, 46-3/4. At Liverpool May futures reached a high of 50-7/8 on the 7th of January and closed on February 14 at 48 cents per bushel. The spread between Chicago and Liverpool futures on the 3rd of January was about 4 cents per bushel but from the 4th of January to the 11th of February the Chicago price ranged from 3-1/4 below to 1-1/8 cents above Liverpool.

The relative strength of prices in the United States can probably be accounted for by the reluctance on the part of sellers to market wheat in large volume at the present level of wheat prices. Another strengthened factor has been the fact that the supplies of wheat in the United States available for export or carry-over appear to be about 25,000,000 bushels less than a year ago. The reported poor condition of the 1933 winter wheat crop has also contributed to the strengthening of wheat prices. It is also significant to note that world wheat prices have held steady during this period in the face of large supplies in the principal importing countries and the usual seasonal increase in world shipments of wheat. Supplies of wheat available for export

and carry-over in the four principal exporting countries on February 1 were slightly smaller than those of a year earlier. There are some indications that import demand is improving. This has been evidenced by an increase in shipments rather than by improved prices.

Table 2.- Wheat: Closing prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 3) 3/	61	50	52	44	71	49	55	42	57	51	4/44	40
Feb. 4)	56	45	48	39	66	42	52	39	51	47	4/40	37
Jan.21	58	47	50	41	68	46	53	40	55	49	4/41	38
28	59	47	50	41	69	46	54	40	55	48	4/42	37
Feb. 4	58	46	50	40	68	44	55	39	55	48	4/43	37
11	61	48	52	42	71	46	58	40	58	48	4/46	36

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ High and low for period (Jan. 3- Feb.4, 1933) (Jan.4-Feb.6,1933)
4/ March futures.

Table 3.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western white Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 7) 2/	63	50	54	45	79	51	90	55	58	50	67	47
Feb. 4)	59	46	51	42	74	48	85	49	56	48	64	42
Jan.21	63	48	54	43	79	51	90	52	58	49	67	46
28	61	49	51	43	77	51	85	52	56	50	64	47
Feb. 4	60	47	54	42	78	50	86	51	57	49	64	46
11	57	43	52	43	76	50	84	50	56	49	61	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (Jan.7-Feb. 4, 1933) (Jan. 8-Feb. 5, 1933).

Table 4.- Wheat: Average price per bushel of parcels of specified description, c.i.f. at Liverpool, specified periods, 1931-1933

Period	No. 3 Manitoba Northern		Rosafe	
	1931-32	1932-33	1931-32	1932-33
	Cents	Cents	Cents	Cents
July	63	54	57	54
Aug.	60	58	55	58
Sept.	58	58	54	59
Oct.	59	54	54	55
Nov.	68	52	63	49
Dec.	60	49	54	47
Jan.	62	51	52	46
Week ended				
Dec. 2	61	50	55	48
9	61	50	53	48
16	60	49	54	47
23	60	46	53	46
30	59	47	53	44
Jan. 7	61	51	54	46
14	62	52	53	48
21	63	50	52	46
28	62	50	51	46
Feb. 4	61		52	
11	61		53	

Compiled from Broomhall's Corn Trade News.

Table 5.- Wheat: Price per bushel at specified markets, December 9, 1932 - February 11, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Dec. 9	42.7	50.2	33.6	40.6	50.4	46.1	121	117	-
16	42.5	49.9	32.5	37.8	49.1	46.2	122	117	157
23	41.8	48.1	31.1	36.9	47.8	47.5	121	116	157
30	40.2	45.8	31.8	35.5	46.6	46.8	121	116	157
Jan. 7	43.2	48.4	35.2	37.1	50.9	47.7	121	114	157
14	45.4	52.3	35.6	37.9	50.1	47.1	121	114	160
21	42.9	50.9	34.4	36.0	50.9	47.9	120	115	159
28	42.9	50.9	34.8	35.5	50.	48.4	119	117	159
Feb. 4	42.5	49.6	34.3	35.3					
11	43.4	50.1	35.0						

Prices are averages of daily prices for weeks ending Friday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange 1/ No. 2 Hard Winter. 2/ No. 1 Dark Northern Spring. 3/ No.3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales. 7/ Domestic.

Wheat Situation in China 1/

The 1932 winter wheat crop for all China was estimated to be nearly 10 per cent below the 1931 crop. The reduction was due principally to the smaller acreage which occurred mainly in North China as a result of insufficient moisture at seeding time. The quality of the wheat produced in North China was reported good while in the Shanghai area excessive rainfall at harvest resulted in an inferior grade. The carry-over of old wheat at the beginning of the present crop year (July 1st) was very small compared with last season but near that of an average year. The carry-over was mostly foreign wheat, being at Shanghai about 50,000 tons and at Tientsin about 10,000 tons. Indications and estimates on the Manchurian crop of spring wheat from different sources to date point to a crop 40-50 per cent of last year of poorer quality coupled with a carry-over above usual. The small harvest was the result of a reduction in acreage, floods, and poor yields.

Imports of foreign wheat at Shanghai for the year 1932-33 are expected to be somewhat smaller than the record amount last year. Australia and Canada have been furnishing most of the imported wheat to date this crop year. Shanghai mills operated on an average of about 60 per cent capacity during the last 6 months of 1932. Flour demand was rather weak during the fall but for the winter months the demand from Tientsin and Manchuria has strengthened. Due to the short wheat crop Manchurian flour imports are expected to be larger this year. Shanghai flour is meeting considerable competition at Dairen from Japanese and Australian flour.

According to reports received by the Shanghai office seedings of winter wheat for the 1933 crop are somewhat larger than last fall both in North China and in the Yangtze Valley.

Wheat Situation in French North Africa 2/

While the seeding of wheat in French North Africa is not yet terminated, indications point to a total area about the same as, or only slightly less than that of the 1932 harvest. In Morocco it is expected to reach the same point as in 1932, in Algeria some increase is likely and a marked decrease is looked for in Tunisia. On the whole, sowings should be equal to or slightly above the 1927-1931 average. Definite reports on sown area will not be available for another month, although from reports so far received, it is known that bread wheats are being planted more extensively, and durums less extensively than last year.

If yields prove to be average or better for the area as a whole, it may be expected that the total crop will easily reach the figure of last year, for, while the record crop of Tunisia will not be repeated, a good outturn in Morocco can more than make up the difference. Last year Algeria had a good crop and yields were slightly more than average. With plantings expected to be slightly above last season, the production with an average yield cannot be expected to show much increase in that country.

1/ Based on report of Agricultural Commissioner, Owen L. Dawson, Shanghai, China, January 9, 1933.
2/ Based on report of Assistant Agricultural Commissioner L.D.Mallory, Marseille, France, January 23, 1933.

The Continental European Wheat Market Situation During January 1/

Continental wheat markets were rather listless during January, with only a slight response to the pick-up in overseas markets around the middle of the month. The large domestic crops of 1932 in countries which normally are heavy importers have resulted in a practical cessation of imports and authorities are now struggling to keep up domestic prices in the face of the large domestic supplies, but the lack of export markets is making the problem both difficult and expensive. In addition, consumption is reported to be declining. The usual seasonal increase in imports toward the end of the crop year may be relatively small this year. However, prospects for the latter half of 1933 are now somewhat more favorable since it appears that the increase in the continental wheat acreage for 1933 will not be so large as previously expected. In addition, the recent severe cold spell is believed to have caused some damage, as reports indicate insufficient snow cover over most of the Continent except the Balkans.

The only protective legislation of any importance was the establishment in France of a $11,760,000 fund for the support of wheat prices, presumably through Government purchases and storage.

Domestic prices on the Continent were generally downward, but due to the governmental interference and local developments the prices in some countries were slightly stronger toward the end of January.

Continental port stocks are much smaller than a year ago, but farm stocks are considerably larger.

Shipments of wheat and flour to the Continent are well below those of a year ago. Shipments to Europe are also smaller than in 1931-32, but the volume of overseas wheat is somewhat higher as a result of the short supplies in Russia and the Danubian countries.

Crops

The weather throughout the Continent was generally mild and precipitation light during the first 3 weeks of January. About the 20th of the month a severe and widespread cold spell developed, which, in view of the fact that snow cover is insufficient except in the Balkan countries, may result in some damage to crops.

Based on official reports from the three important wheat countries of France, Germany and Czechoslovakia and private advice from Italy and Poland, it appears that the increase in the continental wheat acreage for the 1933 harvest will be somewhat smaller than expected. There is now a possibility that the increase will not exceed 1 to 2 per cent though this will depend largely on sowings in Italy, Spain and Poland.

Soviet Russia

The Grain Procuring Campaign. According to latest Russian advices the grain procuring campaign is approaching its end, with 96.8 per cent of the

1/ Based on report of Assistant Agricultural Commissioner Donald F. Christy, Berlin, Germany, January 30, 1933.

plan reported to have been fulfilled by January 10, for the Union as a whole. Ukraine is the only important region where procurings are reported noticeably backward, that is 91.8 per cent of the plan on January 10.

Despite the numerous and continuous complaints regarding the progress of procurings, the Government now claims that procurings in such an anti-communist section as North Caucasus were over 99 per cent complete on January 10, although 1 month earlier (December 10, 1932) only 80 per cent of the North Caucasus plan had been completed, and for the Union as a whole only about 80 per cent of the plan had been fulfilled at that time. It is interesting to note that while many of the important regions show their plan to be over 99 per cent complete, only certain minor regions report full completion. The original plan announced in May last year provided for the procuring of 22,641,000 short tons of grain by January 1, this year. The Berlin office is of the opinion that the procuring figures since early December 1932, at least, are misleading, due possibly to an unannounced reduction in the plan.

The difficulties encountered by the Government in the procurement of grain this year, are due largely to two factors; first, the available outturn of the 1932 crop was greatly reduced by below average yields, and second, a growing resistance to communistic methods on the part of both individual peasants and members of collectives. While the peasants have in some cases withheld grain, in the hope of selling it on the open market, either legally 1/ or illegally, they were undoubtedly most strongly influenced by the desire to retain enough grain to care for their own needs. Last year, it is recalled, the Government procurings in many sections were prosecuted so rigorously that many peasants were scarcely able to live through the winter.

According to a statement of Stalin's, the total outturn of the 1932 crop was larger than that of 1931, but this statement receives no confirmation from other sources. The chairman of the Gosplan reports the average yield for all grains at 10 bushels per acre (basis of 60 pound bushel) in 1932. This is for the R.S.F.S.R. only and does not include the important grain region of Ukraine, where yields were very disappointing last year due to the abundant weeds and rust. Other minor grain regions, where yields are normally low, are also not included.

A series of measures have recently been taken by the Government, which are calculated to insure the delivery of sufficient quantities of grain for the Government's needs. By far the most important of these is the replacement of the old procuring system by a grain tax in kind. A similar tax was introduced by Lenin in March 1922, but was later abandoned.

While the order establishing the grain tax was signed January 19, the tax itself will apply to 1933 crops. Although the tax may in many cases prove as much or more of a burden than the old procuring system, especially where yields chance to be far below normal, it does provide farmers with a fixed goal. Under the tax system a farmer is supposed to be free to sell any grain he produces in excess of his tax, but under the procuring system he was more often than not called upon to make up for the deficiency of some of his neighbors.

1/ Free-trading was allowed only after the completion of the Government procuring plan, but the market price was so much above the Government price that it encouraged bootlegging.

This appeal to individual initiative may result in larger grain supplies, providing the Government authorities use reasonable discretion in the application and collection of the tax.

The tax itself is to be calculated in centners per hectare and will fluctuate considerably according to regions, crops, and status of the farmer. Three groups of tax payers are mentioned (1) collectives served by machine tractor stations, (2) collectives not served by machine tractor stations, and (3) individual peasants. The tax is lowest for the first group and highest for the last. It ranges from 0.7 to 4.0 bushels per acre for the first group, and from 1.2 to 4.9 bushels (basis 60 pounds) for the second. No specific tax is set for the individual peasants, but the tax is to be from 5 to 10 per cent higher than that applied to the collectives.

Under the tax system there can be no substitution of other grains for either wheat or rye, but grains other than these two are interchangeable. Under the old procuring system a great deal of other grain was substituted for wheat.

Another feature of the new tax is the fixing of December 31 as the latest date for payment, and in the chief grain producing regions the tax is to be paid by November 1. Failure to pay the tax on time results in the imposition of a fine equal to the full open-market value of the undelivered grain, which is many times the price now paid by the Government. In addition to the above penalty, the remainder of the tax becomes payable immediately. Individual peasants who fail to pay their tax on time, are to be tried according to the penal law.

An important feature of the tax is that it is to be collected on the basis of the acreage already sown to winter crops and to the acreage officially planned for spring crops. It is hoped that this will result in a completion of the spring sowing plan. The decree also expressly states that acreage sown in excess of the plan will not be subject to taxation.

The introduction of the grain tax is a result of the failure of the procuring system and indicates that the promises of an open market for grain produced in excess of procurings were not sufficient to offset the evils of the procuring system itself. The new tax system, if properly handled, may well lead to improved quality of farm work, but until the equipment is adequate and the peasant better trained, no substantial improvement can be expected.

Other Government measures affecting agriculture

On January 11, 1933, Stalin called for more careful planning and closer party supervision for agriculture. On the same day a new decree called for the organization in each of the machine tractor stations and soviet farms of a "Political Section" whose duties will be to ensure party control. The director of each political section is empowered to consolidate more closely the State and collective farms both politically and economically. Special emphasis is to be given to ensure the fulfillment of all obligations to the State; at the same time anti-soviet elements are to be subdued and political, educational and organization work among the peasants to be strongly pushed.

A few figures will show the importance of the machine-tractor stations. In the spring of 1932, there were 2,115 such stations, which was increased to 2,466 by the end of the year. Plans call for 2,622 stations by spring 1933. It is planned to increase their tractor power from 936,000 H.P. to 1,242,000 H.P., which is calculated to be sufficient to work 95,100,000 acres of land.

On January 19, the previously mentioned grain tax was announced, and on January 24, the Government's alarm over the growing resistance of peasants, especially in the North Caucasus culminated in the appointment of a committee of six endowed with extraordinary powers. This committee, which is naturally composed of party members, is authorized to carry out the compulsory recruiting of peasants for field work, and any one interfering with the agricultural plans in any way is subject to severe penalties, including exile for the individual peasants. So far the committee's field of work is limited to North Caucasus.

The Government has further decided to continue to permit collectives to sell direct to consumers. It is believed that this will supplement the inadequate channels of distribution now provided by the Government and at the same time offer the peasants a broader and more profitable market for their excess production.

The 1932 winter acreage

Recent data bear out earlier expectations regarding the acreage sown to fall crops in 1932. The winter wheat acreage is fully 13.2 per cent below that of the previous year, and a decline of 18.4 per cent occurred in the barley acreage. The rye acreage declined only 2.2 per cent so that the total acreage of winter crops for harvest in 1933 is about 6 per cent below that of the previous year. As the plan called for 101,183,000 acres it was only 90.7 per cent completed, a rather poor showing.

The failure to complete the plan and the consequent reduction of winter wheat acreage this year compared with 1931, must necessarily be reflected in the total wheat acreage for harvest in 1933, for in view of the small area ploughed for fallow in the fall of 1932, the spring wheat acreage can hardly be expected to offset the decline in winter sown wheat. From the point of view of exports this decline has a still more important bearing, as it has taken place in the two most important grain exporting regions of the Union, Ukraine and North Caucasus.

This year's spring sowing plan is now fixed at 235,000,000 acres for all crops, 156,000,000 acres for spring cereals, wheat 57,000,000 acres, oats 40,000,000 acres and barley 17,000,000 acres.

Conditions of winter-sown crops

Winter crops were reported in generally satisfactory condition on January 10, but the snow cover in most of the Union was reported considerably below the previous year, and was insufficient in important grain regions, particularly North Caucasus, Lower Volga, the southern section of the Ural region and the western section of the Middle Volga region, where sharp temperature fluctuations were registered. The snow cover was also light in

Ukraine, but milder weather prevailed there.

Below normal temperatures were experienced over all of the European section of the Union during the second 10 days of January, and although snow fall increased, it continued insufficient in many regions. There is reason, therefore, to expect some damage to crops, particularly the late-sown cereals. Regions most endangered by the prevailing cold weather and insufficient snow cover include Ukraine, parts of North Caucasus and Crimea, the chief winter wheat producers of the Union, as well as a large section of the central, western, and northwestern sections of the country and parts of the Volga regions.

Shipments of grain through south Russian ports

Movements of grain from south Russian ports continued very light with respect to all crops, a larger share of corn being the most noticeable feature. Total shipments through south Russian ports for the season to January 25, 1933, amounted to 1,052,000 short tons compared with 3,385,000 short tons during the corresponding period a year ago, distributed as follows:

	July 1, 1932 to Jan. 25, 1933	July 1,1931 to Jan. 27, 1932
	1,000 bushels	1,000 bushels
Wheat	16,391	69,298
Rye	3,783	18,153
Barley	13,632	27,066
Oats	1,791	2,701
Corn	3,527	3,768

Markets

Germany

German wheat prices showed only small changes during January, but the tendency during the latter half of the month was slightly downward. Rye prices were also somewhat weaker, and buying interest for both grains was lacking. Prices were maintained only through purchases by the Government agency, the Deutsche Getreide-Handelsgesellschaft. Some observers believe that this agency's acquisitions during the first 3 weeks of January were almost equal to its purchases during the 4 months of September-December, 1932. In connection with this activity, which is unfavorably commented upon by the trade, it is of interest to note that an official statement, dated January 19, 1933, indicates that the Deutsche Getreide-Handelsgesellschaft will continue to take up currently such quantities of wheat and rye as are not absorbed by the normal channels of trade, to an extent which enables the maintenance of reasonable prices, and that this agency will hold these stocks at least until the end of the current season unless a considerable revival of industrial employment, and, consequently, of wheat consumption, necessitates the release of such stocks to prevent excessive price increases.

Flour mills continued a hand-to-mouth buying policy during January, with some increase in sales around the middle of the month.

Offerings of wheat and rye by farmers were not particularly large during the first half of the month, but increased somewhat during the second half.

Exports of German wheat during early January were still of fair volume, but declined considerably during the second half of the month. It is said that exports to Denmark have been made difficult by the renewed decline in Danish currency. The German Government does not intend to prolong the possibility of grain exports beyond January 31, and it is, therefore, expected that no material quantities of wheat will move out of the country after February 1. So far, the German export campaign for wheat has been quite satisfactory, if the generally unfavorable situation on foreign markets is taken into consideration. German wheat exports August to December 31, 1932 amounted to 15,475,000 bushels compared with 10,480,000 bushels exported during the same period in 1931.

The development of farm and second-hand stocks in Germany, according to the latest figures, indicate a decline in wheat consumption. Farm stocks of wheat declined by only 11,400,000 bushels from November 15 to December 15, 1932. The decline during the previous month had been 12,500,000 bushels and during the period November 15 to December 15, 1931, 13,200,000 bushels. The decline in farm stocks for the month ended December 15, 1932, is considered by the trade to have been remarkably small, as there is every reason to expect that not all of these 11,400,000 bushels were milled. Fully 2,600,000 bushels of domestic wheat were exported during this period, and only a part of these exports were supplied from second-hand stocks. There was also an increase in the second-hand stocks from December 1, 1932, to January 1, 1933, of roughly 2,000,000 bushels of wheat and 180,000 barrels of flour. Foreign wheat constitutes only part of this increase. The trade further emphasizes the fact that a considerable part of the apparent decline in farm stocks has been taken up by the Deutsche Getreide-Handelsgesellschaft, and that these quantities are partly not entirely included in the second-hand stock statistics, in so far as these quantities are kept in barges. The trade estimates that not more than 7,000,000 bushels of domestic wheat were milled from the middle of November to the middle of December, which, together with an estimated amount of 1,000,000 bushels of foreign wheat milled, would give a total of only 8,000,000 bushels, an extremely low figure. This indicated decline in the consumption of flour is, in the opinion of competent observers, confirmed by unfavorable reports from the flour markets.

Beginning with January 10, 1933, corn imports into Germany from Argentina have to pay the super-tariff rate of $1.51 per bushel, or ten times as much as heretofore. The reason given is that Argentina, having for the past 75 years a most-favored nation treaty with Germany, has refused to extend to Germany the import tariff rates granted other great industrial countries.

France

French wheat prices have shown a slight decline during January, as a result of the rather unsatisfactory buying activity on the part of flour mills and liberal offers of farmers at the beginning of the month. Later, marketings declined as a result of the bad condition of the roads, but mills continued a hand-to-mouth buying policy.

Prices improved following the granting of $11,760,000 for the support of wheat prices.

Foreign wheats were handled only in small amounts, and mostly for temporary admission, that is, for the purpose of later reexportation in the form of flour. The limited foreign markets for flour restricted this business significantly.

During the second half of January, 1933, the Agricultural Bill providing $11,760,000 for purposes of agricultural market support, which had been accepted by the Chamber at the end of 1932, was also approved by the Senate, so that the measure is expected to go into effect shortly. It is understood that the Government will purchase wheat in the open market in order to maintain certain minimum prices up to the movement of the new crop in 1933.

The Government order of January 6, 1933, provided for an import contingent for Bessarabian corn of 3,149,400 bushels for the year 1933, of which 984,200 bushels fall to the first quarter, 590,500 bushels each to the second and third quarters, and the remaining 984,200 bushels to the last quarter.

Belgium and Holland

The quiet tendency at the beginning of the month gave way to relatively active trading around the middle of January, when larger purchases of wheat were made at higher prices, Belgian markets being particularly active. The upturn in business was mostly of a speculative nature, a result of the more favorable price tendencies in America. Toward the latter part of the month, transactions were again smaller, and the market reacted from the period of revival.

About the end of December, 1932, the Second Chamber of the Netherlands authorized the Government to fix definitely the milling quota for domestic wheat at 40 per cent.

Italy

A slightly better tendency was observed on the Italian market around the middle of January, when buying activity profited somewhat from the more optimistic tone apparent on overseas markets. However, the relatively abundant offerings of native wheat, together with the apparently slow disappearance of wheat, prevented the development of any real improvement. Interest in foreign wheats centered around Plates and Manitobas, whereas Australians were somewhat neglected.

The new milling quotas which became effective January 1 are expected to continue unchanged during the remainder of this crop year.

Austria

During the first half of January some improvement occurred on the Austrian wheat and flour markets, as the result of a somewhat better demand and relatively small offerings. During the second part of the month, business dragged along on lower levels. Offerings from Hungary and Yugoslavia, formerly important suppliers of wheat, were considerably reduced.

During December, 1932, a new trade agreement was reached between Austria and Hungary, providing for the establishment of most-favored nation import duty rates for importation of grain into Austria. The duties were set at 61 cents per bushel for wheat and 51 cents for rye. The flour duty is $4.59 per barrel. In the same treaty, Hungary was granted an open preference for wheat to the extent of 1,837,000 bushels at 43 cents per bushel. As preferential agreements heretofore have been rejected by one or more of the interested most-favored nations, it seems that this agreement, as far as the preference is concerned, can only come into force after acceptance by other countries holding trade treaties with Austria.

As a result of the abundant oats crop harvested in 1932, the Austrian Government during January placed oats under the licensing system, which means a practical prohibition of imports during the remainder of this season. This measure affects particularly Czechoslovakia, whose 1931 imports of oats into Austria were very large.

Czechoslovakia

Business was quiet during the first half of January, but gave way to a slightly better tendency during the third week in January, with prices of wheat and rye, however, largely unchanged. Flour business continues disappointing. Marketings of farmers, prior to the setting-in of cold weather were very liberal. The Czechoslovakian Grain Syndicate recently decided to stop imports of wheat and corn for some time to come. It is thought that the present supplies within the country suffice to meet existing requirements.

Poland

According to the Grain Bureau of Warsaw, grain prices on the Polish exchanges rose considerably during the third week in January. The increase in the southern part of Congressional Poland and in Wolhynia was particularly large, whereas the increase in Poznan was small. The grain trade, however, still observes a rather cautious attitude, and expects an eventual reaction from this upward movement. Prices may be weakened by the expected reduction in freight rates to be granted a number of important agricultural products. The State Railway has announced a reduction in the freight rates for grain and sugar beets of 25 per cent up to a distance of 62 miles and of 10 per cent beyond 62 miles of 17 per cent in the case of potatoes, and of 4 to 8 per cent in the case of milk.

Recently a certain unification of the Polish grain export certificates has been decided upon. At the same time, the barley export premium was fixed at 10 cents per bushel for the first quarter of 1933. The unification of the export certificates has been brought about by issuing them in the name of bearer, and their validity is confined to 1 year. They will be unified for all goods which are granted such premiums.

Sweden

As a result of the abundant wheat supplies from the 1932 crop an export surplus of wheat must be disposed of. The Grain Syndicate has requested the Government for permission to buy up 1,100,000 bushels of wheat for exportation, and these exports are to be encouraged by some sort of an export certificate system, whereby the losses incurred through the sale of wheat in foreign markets, are to be borne by the subsequent reimportation of foreign wheat. One reason indicated for the attempt to establish such a wheat exchange system, is the limited possibility to store grain within the country.

Estonia

The Estonian Government has decided to grant on all export goods so-called export premiums, for which the necessary means will accrue from a 15 per cent foreign exchange tax. Among the agricultural products, butter, eggs and bacon will be especially favored. The premium on these products shall amount to 25 per cent ad valorem.

In connection with this question of export premiums the Estonian Government has considered the utilization of the Government rye stocks now amounting to 1,772,000 bushels, part of which are from the 1930 crop, as there is considerable danger of the grain rotting. The Government has decided to sell 551,000 bushels as quickly as possible. Out of this quantity 118,000 bushels shall be sold at 48 cents per bushel for distribution to the unemployed, and 197,000 bushels shall enter normal consumption at the reduced price of from 61 to 68 cents. Another 236,000 bushels will be mixed with bran and sold at 48 cents per bushel for livestock feed. This feed mixture can be paid for with the export premium certificates obtained for butter exports.

Table 6.- Wheat, including flour: Net imports into European countries, years 1930-31, 1931-32 and July 1 to latest date 1932-33

Country	1930-31	1931-32	Prel. estimate 1932-33	Net imports reported July 1 to	1931-32	1932-33
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United Kingdom	221	245	210	Dec. 31	145	105
Italy	84	33	15-29	Oct. 31	5	3
Belgium	45	48	40-44	Nov. 30	22	17
France	45	81	4-11	Nov. 30	36	27
Netherlands	35	31	22-26	Dec. 31	16	14
Germany	30	22	5-6	Dec. 31	6	4
Greece	24	24	13-18	Sept. 30	6	5
Irish Free State	19	20	19	Nov. 30	9	8
Switzerland	18	21	17-20	Dec. 31	13	11
Austria	17	15	11-14	Nov. 30	6	4
Czechoslovakia	13	20	11-15	Nov. 30	9	1
Denmark	11	17	11-15	Dec. 31	11	7
Norway	8	9	7-8	Dec. 31	5	4
Finland	5	4	4-5	Nov. 30	3	2
Sweden	5	7	1-3	Dec. 31	3	3
Poland	1/- 4	1/ -3	2-4	Nov. 30	1/ -1	1/2/
Portugal	3	2	0-1	Oct. 31	1	2
Latvia	2	1	0-1	Oct. 31	2/	2/
Estonia	1	1	0-1	Nov. 30	2/	2/
Spain	1/2/	2	4-6	Nov. 30	2/	8
Total	582	600			295	225

Compiled from official sources.
1/ Net export.
2/ Less than 500,000 bushels.

Table 7.- United States: Exports of wheat and wheat including flour, by weeks, 1931-32 and 1932-33

Date	Wheat		Wheat flour		Wheat including flour	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2-July 30	12,731	1,962	1,005	206	17,455	2,931
Aug. 6-Sept. 3	7,810	3,841	649	313	10,860	5,312
Sept.10-Oct. 1	7,711	1,692	450	202	9,827	2,642
Oct. 8-Oct. 29	10,827	2,030	529	215	13,313	3,041
Nov. 5-Dec. 3	10,421	2,932	725	312	13,830	4,399
Dec.10-Dec. 31	5,743	810	576	241	7,468	1,943
Week ended						
Jan. 7	880	596	102	49	1,359	826
14	495	302	207	49	1,468	532
21	2,081	126	140	34	2,739	286
28	584	76	158	77	1,327	438
Feb. 4	1,793	245	119	41	2,352	438

Compiled from weekly report of Bureau of Foreign and Domestic Commerce.

Table 8.- Wheat including flour: Shipments from principal exporting regions, specified dates, 1931-32 and 1932-33

Date	Argentina		Australia		Danube		North America	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 2-July 30	9,360	3,264	15,780	7,672	744	208	27,048	22,896
Aug. 6-Sept. 3	7,284	3,712	9,552	5,816	1,416	0	29,424	26,344
Sept.10-Oct. 1	5,028	3,368	6,160	6,228	8,664	16	24,808	25,200
Oct. 8-Oct. 29	5,572	2,876	6,844	6,912	9,200	360	30,040	33,864
Nov. 5-Dec. 3	6,532	4,220	6,892	9,668	7,248	904	41,864	46,440
Dec. 10-Dec. 31	6,784	5,852	7,876	8,916	4,488	128	21,024	23,896
Week ended								
Jan. 7	1,500	1,944	3,464	4,368	312	0	5,448	3,896
14	2,748	2,380	6,512	6,456	304	0	5,080	6,760
21	3,856	4,284	7,672	6,392	1,272	0	5,456	5,224
28	4,172	3,601	4,000	5,089	448	0	4,776	4,322
Feb. 4	4,212	3,438	4,656	5,193	176	0	5,768	4,658

Compiled from official and trade sources.

Table 9.- Wheat including flour: Movement from principal exporting countries

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1929-30	1930-31	1931-32	1930-31	1931-32	1932-33	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	153,245	131,475	135,797	88,103	82,315	28,636	Dec.31
Canada	184,213	267,365	199,563	178,958	131,648	188,927	Jan.31
Argentina	161,265	120,638	144,920	34,217	55,475	41,199	Jan.31
Australia	61,776	143,296	155,593	21,364	38,644	27,302	Oct.31
Russia	7,380	111,780	71,830	77,218	63,076	14,355	Nov.30
Hungary	31,415	18,425	18,064	3,638	5,597	2,383	Oct.31
Yugoslavia	23,593	5,332	15,369	3,702	8,294	646	Oct.31
Rumania	2,560	16,072	37,518	8,818	25,700	226	Oct.31
Bulgaria	96	5,041	11,795	1,248	2,997	663	Sept.30
British India (L&S)	6,798	10,197	1/ 2,913	7,210	1/ 1,732	1/ 472	Nov.30
Total	632,341	728,621	793,362	424,476	415,478	304,809	
	Shipments as given by current trade sources						
	Total		Weeks ended			July 1 to Feb.4	
	1930-31 (Rev.)	1931-32 (Prel.)	Jan. 21	Jan. 28	Feb. 4	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	354,008	333,638	5,224	4,322	4,658	200,816	203,500
Canada, 4 markets 3/	273,437	206,258	1,681	1,784	2,578	134,953	194,802
United States	134,700	136,010	286	438	438	92,803	31,155
Argentina	121,696	144,572	4,284	3,601	3,438	57,048	38,939
Australia	148,500	161,404	6,392	5,089	5,193	79,608	72,710
Russia 4/	92,784	71,664	0	128	72	69,704	16,456
Danube & Bulgaria 4/	15,176	39,280	0	0	0	34,272	1,616
British India	5/10,197	5/ 2,913	0	0	0	616	0
Total 6/	742,361	753,471	15,900	13,140	13,361	442,064	333,221
Total European shipments 2/	615,392	597,976	12,752	5,718	6,224	351,952	254,818
Total ex-European shipments 2/	176,360	194,464	3,504	3,754	2,968	117,816	84,096

Compiled from official and trade sources.

1/ Sea Trade only.

2/ Broomhall's Corn Trade News.

3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster.

4/ Black Sea shipments only.

5/ Total exports as given by official sources.

6/ Total of trade figures includes North America as reported by Broomhall's.

Table 10.- United States: Imports and exports of wheat including flour, July to January, 1931-32 and 1932-33

Item	July 1, 1931 to Jan. 31, 1932 (Revised)	July 1, 1932 to Jan. 31, 1933
	1,000 bushels	1,000 bushels
EXPORTS:		
Wheat	63,367	18,785
Flour in terms of wheat	25,841	11,933
Total	89,208	30,718
IMPORTS: (July-Dec.)		
Wheat	7,805	4,947
Flour in terms of wheat	1	1/
Total	7,806	4,947
NET EXPORTS:		
Wheat	55,562	13,838
Flour in terms of wheat	25,840	11,933
Total	81,402	25,771

Compiled from official records, Bureau of Foreign and Domestic Commerce.
1/Less than 500 bushels.

Table 11.- Wheat including flour: Exports from principal exporting countries, November and December 1931 and 1932, January 1932 and 1933

Country	Nov.		Dec.		Jan.	
	1931	1932	1931	1932	1932	1933 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	13,550	5,985	12,100	3,549	8,134	2,062
Canada	29,596	29,898	24,387	29,950	10,965	16,495
Argentina	6,074	4,116	8,282	7,210	14,657	16,030
British India	2/ 213	2/ 85	2/ 210	1/ 0	2/ 154	0
Australia	6,398	1/9,668	9,312	1/8,916	19,619	22,305
Russia	6,279	4,740	4,350	1/2,448	2,539	1,192
Danube & Bulgaria 1/	7,248	904	4,488	128	2,336	0
Total	69,358	55,396	63,129	52,201	58,404	58,104

Compiled from official and trade sources.
1/ Preliminary.
2/ Sea Trade only.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

WH-83 March 27, 1933

WORLD WHEAT PROSPECTS

Summary

The outstanding features of the wheat situation in the United States during the past month were the virtual suspension of the grain trade from March 4 to 15 during and immediately following the bank holiday, and the higher prices which have prevailed since the general opening of the markets on March 16. Throughout February there was very little change in prices in either United States markets or at Liverpool. In the last few days of February, however, there were very slight declines and on March 1 May futures at Chicago closed at 47-1/2 cents per bushel. On March 2 they closed slightly lower, but on the 3rd there was a marked rise to 48-3/4 cents per bushel. This rise was apparently due to the expected closing of the markets.

All futures trading was suspended in the United States markets from March 4 to 15, and there were few cash sales during this period. Such cash sales as were made, however, were reported as being at higher prices than those made just prior to the closing of the futures exchanges. Thus, on March 3, No. 2 Hard Winter at Kansas City sold at 43 cents per bushel, while most quotations during the next 2 weeks were about 5 cents per bushel higher, and on March 6, No. 2 Hard Winter wheat was quoted at 51 cents per bushel. Prices at Winnipeg and Liverpool also were higher following the announcement of the bank holiday in the United States, but there was much more improvement in Winnipeg prices than in those at Liverpool.

The order and method of presenting data as to foreign conditions has been changed in this issue. The reports of the foreign offices have not been quoted at length but have been made the basis of, or largely used in, presenting the foreign supply and demand situation.

When future trading was resumed on March 16, it was provided by the exchanges that prices must not deviate more than 5 cents per bushel either up or down from the closing levels of March 3. All sales on that date were approximately 5 cents per bushel higher than the closing level of March 3. Thus, at Chicago May futures closed at 53-7/8 cents (bid) on March 16. There followed a decline, however, and on the 20th the closing level was 51-3/4 cents per bushel, compared with 48-3/4 cents on March 3. At Liverpool May futures, in terms of United States money, closed at 48-1/4 cents on the 20th compared with 47-3/8 cents on the 3rd and 49 cents on the 16th.

World shipments of wheat continue to be maintained at a much higher level than that which prevailed during the first half of the season. In recent weeks they have averaged over 16,000,000 bushels weekly, compared with an average level of about 8,000,000 bushels weekly during last August, and a level of around 13,000,000 bushels weekly during September, October and November. The maintenance of the level of world shipments during most of the remainder of the season at about 16,000,000 bushels weekly would result in takings by importing countries during the second half of the crop year being about the same as their takings during the corresponding period of last season. Since the surplus of wheat available for export and carry-over in the United States, Canada, Argentina and Australia, plus United Kingdom port stocks and quantities afloat, appears to be about the same as a year ago, and since it is to be expected that shipments from Russia and other exporting countries are likely to be as insignificant this year as last, it seems likely that the unaccounted for world carry-over as of July 1, 1933, would not be greatly different from that of a year earlier.

Crop conditions in the United States continue to indicate the likelihood of a very small crop of wheat in 1933. Though the reports of intentions to plant indicate some increase in the acreage of spring wheat other than durum, this is the result of intended replanting of abandoned winter wheat acreage in the Pacific Northwest. Furthermore, intentions indicate that a decrease

of durum wheat acreage will more than counterbalance the intended increase in the spring bread wheat area. On the Continent of Europe the condition of winter grown grains, including both wheat and rye, is generally satisfactory and better than a year ago. In the surplus producing countries of the Danube Basin the acreage is estimated to be somewhat larger than that of last year, and more normal weather conditions would give a distinctly larger crop than was harvested in 1932. In western Europe normal weather conditions may be expected to result in smaller yields than those in 1932.

Table 1.- Wheat: Surplus for export or carry-over in the principal exporting countries, and United Kingdom port stocks and stocks afloat, March 1, 1930-1933

Position	Mar. 1			
	1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States:				
Domestic wheat	320	336	401	343
Canadian wheat	32	18	15	8
Canada:				
Domestic wheat	192	230	208	250
United States wheat	7	5	28	7
Argentina	78	126	105	121
Australia	65	129	102	99
Total	694	844	859	828
United Kingdom port stocks:				
Wheat	12	12	16	
Flour (as wheat)	1	1	2	
Afloat for United Kingdom	10	16	19	
Afloat for Continent	13	24	22	
Afloat for orders	13	18	16	
Total	49	71	75	67
Grand total	743	915	934	895

Wheat Stocks

Surplus wheat available for export or carry-over in the principal exporting countries on March 1 totaled 828,000,000 bushels compared with 859,000,000 a year earlier. Both surpluses in exporting countries and the accounted for world stocks were smaller than those of a year earlier. Of the principal exporting countries Canada and Argentina reported larger supplies this year, while those of the United States and Australia are indicated to be smaller. The total in the Southern Hemisphere was only slightly larger than that of

a year earlier. The Canadian surplus was about 40,000,000 bushels larger, whereas that of United States was about 58,000,000 smaller.

The surplus of wheat for export or carry-over in the United States on March 1 totaled 343,000,000 bushels compared with 401,000,000 a year earlier. During February this surplus was reduced about 2,000,000 bushels, whereas, during February 1932 the surplus was reduced 7,000,000 bushels. a/ Stocks of wheat in the United States on March 1 were more evenly distributed among the various storage positions than a year earlier. Commercial stocks in store at principal markets on March 11 totaled 145,942,000 bushels compared with 218,786,000 a year earlier, a difference of approximately 73,000,000 bushels. Although information on stocks in other positions is not available for that date it is probable that farm stocks and mill stocks were somewhat larger than a year ago. There are some prospects for a larger volume movement of wheat from exporting countries during the remainder of the 1932-33 season. It is probable that the increase will be noted to a greater extent in Canada, Argentina and Australia, than in the United States.

Stocks of wheat available for export or carry-over in the Danube Basin and in Russia continue relatively small, and United Kingdom port stocks and wheat afloat to the United Kingdom and the Continent were about 8,000,000 bushels less on March 1 than a year earlier. Farm stocks in France and Germany, however, were reported to be relatively large for this season of the year.

The apparent disappearance of wheat in Germany between December 15, 1932, and January 15, 1933, appears to have been somewhat larger than during the preceding month. Total stocks of wheat on farms declined about 15,700,000 bushels during this period, and second-hand stocks also showed a slight decline. During the corresponding period of the previous year, farm stocks were reduced by only 10,000,000 bushels. Despite the larger exports of wheat in January, therefore, an increase in the disappearance occurred. Nevertheless, both farm and trade stocks are large enough to be burdensome, and are likely to be a depressing factor for some time to come.

Supplies of domestic bread wheat in northern Italy still appear rather large despite a domestic milling quota of 95 per cent. In southern Italy and on the Islands, on the other hand, supplies of soft wheat are reported to be small, and these sections must depend largely on foreign grain during the balance of the season.

1933 Crop

United States

An increase of about 2 per cent in the acreage of spring wheat other than durum to be harvested in 1933 as compared with the acreage harvested in 1932 is

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a/ It appears now that the amount of wheat to be fed to livestock during the current season may be larger than previously estimated. The surplus of 383,000,000 bushels as of February 1 which appeared in the February 24 issue of World Wheat Prospects should be revised to 345,000,000.

indicated by reports from farmers. Indicated acreage for harvest this year is 18,003,000 acres. Important changes from last year are a decrease of 15 per cent in Montana and an increase of over 50 per cent in the Pacific Northwest. In the latter area, the increase is to replace acreage of winter wheat lost from winter killing, with a slight decrease in total wheat acreage indicated. Marked decreases in durum wheat acreage is indicated in each of the important durum producing States. The 1933 acreage of durum wheat for the United States is indicated at 2,983,000 acres, a decrease of about 23 per cent from the acreage harvested in 1932.

The December report of the Crop Reporting Board indicated a probable abandonment of winter wheat in excess of 20 per cent. This is confirmed by the reports just received and accounts for intention to plant more grain sorghums and certain other crops in the Great Plains States from Nebraska south.

Present information indicates that the acreage of all wheat for harvest this year will be from 5 to 10 per cent below the acreage harvested last year.

Continental Europe

The condition of winter-grown grains is generally satisfactory throughout the Continent, and conditions in most countries are better than a year ago. The fears of crop damage expressed during the severe cold spell of January, have to a large degree subsided, and the cold weather experienced in February was in most cases accompanied by sufficient snow to provide good protection for the winter crops. Precipitation from last October to the latter part of February was generally below normal throughout Germany, Czechoslovakia and Poland, though the deficiency was not so pronounced as it was a year ago. The lack of rainfall seems to be most pronounced in southeastern Poland and central Czechoslovakia. In Austria, on the other hand, the rainfall during the winter period has been somewhat above normal and conditions there are much better than a year ago.

The Danube Basin office estimates the acreage sown to winter wheat in the Basin to be slightly larger than that sown in the fall of 1931.

During the second half of January there was excellent snow covering for wheat throughout the entire Basin, which offered satisfactory protection against the prevailing low temperatures. By the beginning of February, the snow had melted, but temperatures were high enough to prevent noticeable damages to fall sown crops. The heavy snow covering melted gradually and the large supply of moisture which entered the ground will be very favorable to the development of the plants.

The condition of fall sown wheat is still reported to be satisfactory in Bulgaria, and good in all of the other countries of the Danube Basin.

Africa

The seeding of wheat in French North Africa is now about finished and indications are that the area will approximate that of a year ago. In Morocco, acreage is about the same as in 1932, in Algeria some increase is expected, but in Tunisia there is a decrease. Present prospects are a bit better than

last season for the three countries as a group, for, although the outlook in Tunisia is for a crop considerably under the record of last year, favorable conditions in Morocco more than make up the difference.

Soviet Russia

The previously reported plan for the spring of 1933, which was already below previous years' levels, has been revised downward.

The revised plan published on February 2, 1933, and bearing the signature of Stalin and the Chairman of the Council of People's Commissars of the Union, calls for a total spring acreage of 234,745,000 acres, which is 1.7 per cent below the preliminary reported acreage for 1932. The original plan for spring wheat has been greatly reduced.

The following tabulation gives the plans for the last 2 years, as well as last year's actual sowings.

Item	All crops 1,000 acres	Spring wheat 1,000 acres
Original plan for 1933	240,922	59,551
Revised plan for 1933	234,745	57,327
1932 plan	252,907	64,740
Actual sowings, 1932 a/	238,886	56,386
Per cent 1933 plan is of actual sowings in 1932	Per cent 98.3	Per cent 101.7

a/ Preliminary data of the Commissariat of Agriculture of U.S.S.R.

Inadequate seed supplies in many regions and a slow distribution of governmental seed loans characterize conditions at the beginning of seeding time in southern Russia, according to recent information received from the Bureau's Berlin office. Tractor repair work was reported no better than last year when it was rather backward. Reports from parts of the main export regions of Ukraine and North Caucasus indicate a slow assembling of local seed with collective farms, which represent about 70 per cent of the 1932 farm acreage in these regions, relying to a considerable extent upon Government seed loans. In Ukraine the tendency to replace spring wheat by buckwheat and millet is reported. Spring grain seeding in this region normally begins in the latter part of March and ends in the latter part of April. As was the case last year, the assembling of seed wheat has been less satisfactory than that of other crops. Wheat seed loans granted this season are about 8,500,000 bushels or somewhat less than loans of last year. They are available only to collective and State farms and thus far only in the provinces of Ukraine and North Caucasus.

Prices, Movements and Markets

Wheat prices at the principal world markets changed very little during February. During the first few days of March, however, there was an advance which continued at markets outside the United States. Owing to the bank holiday, grain exchanges were closed from March 4 to 15 during which time futures price quotations were not available and there were few sales of cash wheat. Prices at Liverpool advanced about 2 cents a bushel and at Winnipeg about 4 cents from March 3 to March 11. At Buenos Aires the advances were somewhat smaller. On reopening of the exchanges March 16 prices advanced about 5 cents per bushel, the limit set by the exchanges. The limit of price fluctuation was removed on March 17 but the 5 cent advance did not hold. May futures at Chicago declined from 53-7/8 bid on March 15 to 50-3/8 on March 22. During the same period Liverpool declined from 49 to 47-1/8 cents per bushel.

Movement of wheat from the principal exporting countries, during February and the first 2 weeks of March, was somewhat larger than the exports for the corresponding period last year. This increase is accounted for by the relatively large exports of Canada and Australia, both the United States and Argentina having been smaller than those of the corresponding period last year. The total world shipments of wheat and flour for the crop year to March 1 were considerably smaller than those of the corresponding period last year. Since October, however, the decline in world shipments has been smaller than for the first 4 months of the current crop season.

Danube Basin

Unusually small offers due to the bad condition of country roads, and anticipation of further price increases was the most important feature of Danube Basin markets during February. Urgent demands for export and by mills during February, together with curtailed offers resulted in a further price increase.

Estimated exports from the Danube Basin during February total approximately 514,000 bushels as compared with a revised export figure for January of 419,000 bushels.

In Rumania and Yugoslavia, relatively high internal prices still prevent any possibility of export.

A group of Bulgarian exporters are reported to have concluded an agreement with the Czechoslovak grain importing agency for the delivery of 661,000 bushels of wheat before the end of the present marketing year. However, exports from Bulgaria during January and February have been low, largely on account of navigation difficulties.

The Hungarian Government has distributed permits for the export of 459,000 bushels of wheat to Austria, to be exported before the end of March 1933. In addition to this quantity important quantities of Hungarian flour stored at Vienna, were sold at the beginning of February. Hungarian mills report an intention to replenish their warehouse stocks of flour at Vienna as soon as river navigation opens. The Czechoslovak "Kooperativa"(cooperative

union) has purchased several parcels of Hungarian wheat at a price of between 69 to 73 cents per bushel f.o.b. various frontier stations. Beginning with February 10, the Synidcate of Hungarian Cereal Exporters fixed a minimum price for such exports at 71 cents per bushel, and actual transactions were closed at around 73 cents per bushel. The total import quota obtained from the Czechoslovak Government, on a compensation basis, amounts to 404,000 bushels.

Table 2.- Wheat: Closing prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg a/		Liverpool a/		Buenos Aires b/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan 3) c/	62	50	53	44	71	49	61	42	61	51	d/47	40
Feb 25)	56	45	48	38	66	42	52	39	54	47	d/40	36
Feb 18	62	48	53	42	70	46	59	40	61	48	d/43	36
25	62	47	53	41	71	45	60	39	61	47	49	36
Mar. 3	62	49	53	43	70	46	60	40	59	47	48	36
11	61	e/	52	e/	70	c/	60	f/44	59	f/49	49	37

a/ Conversions at noon buying rate of exchange.
b/ Prices are of day previous to other prices.
c/ High and low for period (Jan. 3 - Feb. 25, 1933) (Jan. 4 - Feb. 27, 1932).
d/ March futures.
e/ Trading suspended. f/ Exchange rates for March 3 used.

Table 3.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western white Seattle a/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan 7) b/	63	50	55	45	79	52	90	55	58	50	67	47
Feb.25)	57	46	51	42	74	48	84	49	56	48	61	44
Feb.18	58	48	54	44	77	51	86	51	58	50	63	45
25	60	48	55	44	77	51	86	50	58	49	63	45
Mar. 4	59	48	52	44	75	50	85	51	57	49	63	44
11	59	c/	53	c/	76	c/	81	c/	56	c/	62	

a/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
b/ High and low for period (Jan 7 - Feb. 25, 1933) (Jan. 8 - Feb. 26, 1932)
c/ Trading suspended.

Table 4.-Wheat: Price per bushel at specified markets, January 7, 1933 - March 4, 1933

Week ended	Kansas City a/	Minneapolis b/	Winnipeg c/	Buenos Aires d/	Liverpool e/	Great Britain f/	Berlin g/	Paris g/	Milan g/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 7 ...	43.2	48.4	35.2	37.1	50.9	47.7	121	114	157
14 ...	45.4	52.3	35.6	37.9	50.1	47.1	121	114	160
21 ...	42.9	50.9	34.4	36.0	50.9	47.9	120	115	159
28 ...	42.9	50.9	34.8	35.5	50.0	48.4	119	117	159
Feb. 4 ...	42.5	49.6	34.3	35.3	46.3	49.3	120	114	156
11 ...	43.4	50.1	35.0	35.8	46.3	49.0	122	114	155
18 ...	44.0	51.0	35.5	35.2	45.9	48.4	124	115	154
25 ...	44.2	50.7	35.9	34.6	48.9	48.1	128	115	153
Mar. 4 ...	43.6	49.5	36.0	34.6		47.5	129	111	152

Prices are averages of daily prices for weeks ending Friday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. a/ No. 2 Hard Winter. b/ No. 1 Dark Northern Spring. c/ No. 3 Manitoba Northern. d/ Near futures. e/ All sales of imported parcels. f/ Home-grown wheat in England and Wales. g/ Domestic.

Table 5.-Wheat: Average price per bushel of parcels of specified description, c.i.f. at Liverpool, specified periods, 1932 and 1933

Period	No. 3 Manitoba Northern		Rosafe	
	1932	1933	1932	1933
	Cents	Cents	Cents	Cents
Jan. 7	61	51	54	46
14	62	52	53	48
21	63	50	52	46
28	62	50	51	46
Feb. 4	61	49	52	46
11	61	49	53	45
18	64	- -	56	44
25	67	49	59	43
Mar. 4	67		58	
11	69		59	

Compiled from Broomhall's Corn Trade News.

Exports of wheat from Russia through South Russian ports from July 1, 1932 to February 22, 1933, totaled 17,208,000 bushels compared with 71,832,000 bushels for the corresponding period last year.

United Kingdom

Cash prices of wheat at Liverpool changed very little during February. No. 3 Manitoba Northern was quoted at 49 cents per bushel for each of the weeks during February. Rosafe was quoted at 46 cents per bushel for the week ended February 4, but declined to 43 cents for the week ended February 25. For the corresponding period of last year Rosafe advanced from 52 to 59 cents, and No. 3 Manitoba Northern from 61 to 67 cents.

Imports of wheat into the United Kingdom during November and December, 1932, and January, 1933, totaled 45,169,673 bushels, compared with 44,882,178 bushels for the corresponding period last year. Although imports into the United Kingdom for these 3 months were about the same as for last year, the percentage imported from Australia and Canada was much larger this year. Of the total, 57.2 per cent came from Canada, and 16.1 per cent from Australia. For these 3 months last year, 26.9 per cent came from Canada and 6.6 per cent came from Australia. The imports from the United States represented 1.6 per cent of the total this year, and 8.7 per cent for last year.

Germany

Grain prices in Germany during February showed a distinct recovery from the low point reached toward the end of January. This improvement, however, was due not to any fundamental change in the market situation, but to the appointment of the new Hitler cabinet, which is strongly protectionistic in its sentiment. The Deutsche Getreide-Handelsgesellschaft (D.G.H.) continues to make purchases; but under the protection of the new Government it has been much easier to maintain prices than was formerly the case. Prices of domestic wheat advanced from $1.24 per bushel on February 1 to $1.33 on February 22. The grain trade as well as the flour mills continue to operate on a hand-to-mouth basis as demand for flour continues limited. The new Government announced that increased efforts would be made to support the grain market, and this caused farmers to hold back deliveries. One of the first moves was the issuance of a new decree through which farm property throughout Germany is protected against foreclosure until October 31, 1933.

Exports of wheat in January 1933 were considerably larger than those of the previous month. Under the old exchange plan no further exports of wheat were possible after January 31, 1933, but the Government has recently indicated that some further measures will be taken to encourage grain exports. Exports of wheat during the period August 1932 to January 1933 totaled 18,138,000 bushels, and exceeded imports by 1,565,000 bushels.

France

Prices fluctuated within rather narrow limits during February, but declined considerably at the beginning of March. Farm offers were rather slow, due largely to the appropriation of $11,760,000 to be used by the Government in supporting the wheat market. Stabilization purchases of the

surplus during years of exceptional crops seems justified to France because of its usual position as an importer of wheat.

Business in foreign wheat has recently shown a pick-up, with Manitobas the centre of interest.

Belgium-Holland

Wheat markets in Belgium and Holland were rather quiet during February, and prices were somewhat easier. Offers of both Canadian and Argentine wheat were liberal, but buyers were rather hesitant. The unfavorable condition of winter wheat in the United States resulted in occasional periods of activity; but flour mills refused to commit themselves for more than immediate needs.

In Holland the domestic milling quota for wheat, which was formerly 25 per cent, has been raised to 35 per cent, effective February 1933. This may have some effect upon the import requirements during the remainder of the season.

Italy

Prices of wheat at Milan declined slightly during February and early March. Wheat markets in northern and central Italy were generally dull during February. Supplies were fairly plentiful, but demand was restricted.

Czechoslovakia

The Czechoslovakian wheat markets were also more active during most of February. Prices for Bohemian wheat in Prague (60.6 to 62.2 pounds per bushel) rose from $1.26 per bushel at the beginning of February to $1.30 on February 22. The improvement in the domestic market was accompanied by an active demand for foreign wheat. The firmness of the market is attributed partly to local transportation difficulties, but it now appears that domestic supplies have been rapidly reduced as a result of the very small quantities of foreign wheat which were permitted to enter the country during the past 6 months.

Poland

Since the end of January both the wheat and rye markets have been distinctly firmer. Wheat prices advanced from 85 cents per bushel at the end of January to about $1.16 at the end of February. Other grains also advanced sharply. The rather severe winter with heavy snow in some sections has handicapped deliveries, but there is a distinct shortage of wheat as a result of last year's poor crop. Rye supplies, however, are still plentiful.

China

During the winter months heavy purchases of Australian and Canadian wheat have been made by millers in Shanghai and imports of foreign wheat for the current year, July 1932 to June 1933, may equal the amount of 27,000,000 bushels imported in 1930-31. In addition to the imports at Shanghai there will be small additional amounts imported at Tientsin and other Chinese ports.

Prices have favored importations from Australia but possibly for the first time in the history of the Shanghai flour industry importations of Argentine wheat were made this season. Arrivals of foreign wheat at Shanghai during the past 2 months have been quite large and Shanghai mills are operating near full capacity. The demand for Shanghai flour continues quite strong in both north and south China. In the judgment of Assistant Agricultural Commissioner Fred J. Rossiter, the major wheat requirements for the Shanghai industry have now been ordered and new purchases of foreign wheat during the remainder of the crop year are expected to be small. The new wheat crop in the Yangtze Delta is harvested in late May and early June.

The flour markets of north China, consisting chiefly of Tientsin and Dairen, continue to import a larger volume of flour than during the past season. The wheat crop, particularly in Manchuria, was short and record imports were made at Dairen during the October to December, 1932 quarter. The receipts at Dairen consisted largely of Shanghai and Japanese flour.

Table 6.- Wheat: Imports at Shanghai, China, by countries of origin, 1924-25 to 1931-32

Year beginning July 1	United States	Canada	Australia	Others	Total
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1924-25	472	321	37	0	830
1925-26	480	7,402	988	0	8,870
1926-27	1,722	2,825	0	0	4,547
1927-28	0	1,855	0	a/	1,855
1928-29	634	9,034	2,077	1	11,746
1929-30	53	1,108	0	a/	1,161
1930-31	1,212	6,795	19,148	31	27,186
1931-32	b/ 11,547	2,913	22,437	c/1,084	38,081

Compiled from Chinese Maritime Customs reports.
a/ Less than 500 bushels. b/ Includes flood relief wheat.
c/ From Russia and Argentina.

Japan

In Japan low prices of Australian wheat during the past 2 years have displaced to a considerable extent wheat from Canada and the United States. March 1 prices at Tokyo continue to favor Australian imports. Quotations were: Australian f.a.q. 71 cents per bushel; Canadian No. 1 73 cents; Western White No. 2 76 cents. Wheat imports in January were 1,180,000 bushels and consisted of 879,000 bushels from Australia, 290,000 from Canada and 11,000 from the United States. Consul General Garrels at Tokyo reported on March 7 that both the domestic and export flour demand was considered quite good and mills were operating close to capacity.

Table 7.- Japan: Imports of wheat by countries, 1926-27 to 1931-32

Year ended June 30	Country from which imported			
	United States	Canada	Australia	China
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1926-27	7,861	6,018	3,755	40
1927-28	5,931	9,087	3,284	2,750
1928-29	3,755	16,863	5,166	2,165
1929-30	8,019	6,446	3,136	593
1930-31	3,752	6,346	14,714	a/
1931-32	1,389	5,621	22,695	a/

	Country from which imported	
	Other countries	Total
	1,000 bushels	1,000 bushels
1926-27	42	17,716
1927-28	37	21,089
1928-29	34	27,983
1929-30	130	18,324
1930-31	1	24,813
1931-32	7	29,712

Foreign Agricultural Service. Compiled from Annual Return of the Foreign Trade of Japan; Monthly Return of the Foreign Trade of Japan, December and June issues.

a/ Less than 500.

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May 26, 1933

WORLD WHEAT PROSPECTS

Summary

The recent advance in wheat prices in the United States has been larger than for any continuous similar period since the summer of 1929, and the percentage advance was greater than for any like period since the fall of 1924. July futures at Chicago advanced from 47-3/4 cents per bushel on March 1 to 75-1/8 cents on May 11, an advance of 27-3/8 cents per bushel. During the same period July futures at Liverpool advanced only 14-1/4 cents a bushel, slightly more than half the Chicago advance. Much of the greater advance at Chicago can be accounted for by the depreciation of the dollar. The average price of all classes and grades of wheat at the six principal markets for the week ended March 4 was 47.9 cents per bushel. The average for the week ended May 6 was 74.5 cents per bushel, an advance of 26.6 cents. Farm prices have tended to follow the advance of this market price at about 15 cents under the market price. Farm prices during this period have, of course, lagged a few days behind market prices which is the usual relation between the changes of farm and market prices. Farm prices on the 15th of May were about 25 cents below the average of the 5-year period, July 1909 to June 1914; whereas on May 15 the difference was about 50 cents per bushel.

The rise of wheat prices has been closely associated with rising prices of other commodities. The advance in these prices has been due primarily to the expectation of improving business conditions and inflation, but only a part of the rise can be attributed to any actual depreciation of the dollar in the foreign exchanges. The rise of the dollar value of the French franc

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The order and method of presenting data as to foreign conditions has been changed in this issue. The reports of the foreign offices have not been quoted at length but have been made the basis of, or largely used in, presenting the foreign supply and demand situation.

(which is still on the gold standard) has amounted to only about 17 percent, while the rise in prices of speculative commodities has been much greater. In the case of wheat, Chicago prices have risen about 50 percent. In addition to the influences common to all speculative commodities, wheat has been affected by the poor outlook for the winter wheat crop in the United States.

Stocks of wheat available for export or carry-over in the principal exporting countries on May 1 were about 49,000,000 bushels larger than those of a year earlier. Stocks in the principal importing countries of Europe were likewise larger on May 1 than a year earlier. The Danube Basin countries and Russia were the only large wheat producing areas where stocks are relatively low. World shipments have declined rapidly during the last 6 weeks. During April they were 21,000,000 bushels under those for April 1932. It seems unlikely that world shipments and consumption will increase sufficiently during the remainder of the crop year to prevent the world carry-over of wheat being larger than the record carry-over as of July 1, 1932. In the United States, however, the carry-over on July 1 may be about the same as it was a year earlier.

The condition of the winter wheat crop in the United States on May 1 indicated that the 1933 crop may be the smallest since 1904. Spring wheat sowings in the United States are considerably later than usual and may be smaller than those of last year. Canada reports intentions-to-plant an acreage 5 percent smaller than that sown in the spring of 1932. The "intentions to-plant" reports for 1931 and 1932, the only other years it has been issued, indicated from 7 to 8 percent smaller acreage than that actually harvested. Conditions of the winter wheat crop in the principal importing countries of Europe are reported to be favorable with a relatively small amount of winter-kill. In North Africa there has been some damage reported due to hot winds, but the prospects are for a crop about as large as that harvested in 1932.

Wheat Stocks

Surplus wheat available for export or carry-over in the principal exporting countries on May 1 totalled 774,000,000 bushels, compared with 796,000,000 on April 1 and 725,000,000 on May 1, 1932. Total accounted for world stocks on May 1 were 828,000,000 bushels compared with 791,000,000 a year earlier. World shipments of wheat during April were about 42,000,000 bushels compared with 64,000,000 for April, 1932. Owing to the relatively small exports during April surplus stocks in the principal exporting countries were considerably larger on May 1 than they were a year earlier. On April 1 these stocks were only 7,000,000 bushels larger than a year before, whereas on May 1 these surplus stocks were 49,000,000 bushels larger than on May 1, 1932.

The United States is the only exporting country in the Western Hemisphere that reported lower stocks of wheat on May 1 than a year earlier, and the surplus stocks in the United States have been decreasing much more slowly during recent months than during the corresponding period of last year. It seems probable that United States exports of wheat during the 2 remaining months of the current crop year will be considerably smaller than those of May and June, 1932, and that the amount of wheat carried over into the 1933-34 season may be as large as the carry-over on June 30, 1932. Should exports of wheat from Canada, Argentina and Australia during May and June be equal to the exports of those 2 months in 1932, the carry-over of wheat in the principal wheat exporting countries of the Western Hemisphere will be larger than that of June 30, 1932, when the combined carry-over of those countries was the largest on record.

Stocks of wheat in the exporting countries of the Danube Basin are reported to be small, and it is expected that the carry-over in that region will be somewhat smaller than that of June 30, 1932. Although no reliable information is available on stocks of wheat in Russia, judging from the rapid decline in exports from that country, it seems likely that stocks of wheat in Russia at the beginning of the 1933-34 season will be extremely small.

The carry-over of wheat in the principal importing countries of Europe may be somewhat larger than that of June 30, 1932. Germany and France both report stocks of wheat on May 1 considerably larger than those of a year earlier. United Kingdom port stocks, wheat afloat for the United Kingdom, afloat for the Continent, and afloat for orders were somewhat smaller on May 1 than a year earlier. The difference, however, was not sufficient to offset the large increase of stocks in exporting countries.

Table 1.- Wheat: Surplus for export or carry-over in the principal exporting countries, and United Kingdom port stocks and stocks afloat, May 1, 1930 - 1933

Position	May 1 1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States -				
Domestic wheat	308	327	382	369
Canadian wheat	18	3	5	2
Canada -				
Domestic wheat	172	208	187	235
United States wheat	5	6	27	5
Argentina	57	95	57	87
Australia	51	91	67	76
Total	611	730	725	774
United Kingdom port stocks -				
Wheat	8	9	11	(13
Flour (as wheat)	2	1	1	(
Afloat for United Kingdom	10	14	14	(
Afloat for Continent	17	24	23	(41
Afloat for orders	8	10	17	(
Total	45	58	66	54
Grand total	656	788	791	828

Table 2.- Wheat stocks in the United States, as of April 1, 1930-1933

	1930	1931	1932	1933
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
On farms	129,547	116,364	165,903	178,354
In interior mills and elevators	(80,000)	72,253	69,327	98,796
Commercial stocks	153,122	213,583	207,215	135,552
Owned by merchant mills	74,546	58,788	78,565	87,848
In transit to merchant mills	8,687	8,521	9,211	11,050
Stored for others by mills	(10,000)	(18,000)	12,854	10,831
Total	455,902	487,509	543,075	522,431

Continental Europe

German farm stock figures as of March 15 indicate that the stocks held by farmers are continuing to decline quite rapidly, despite the relatively quiet character of the grain business in recent months. "Second-hand" stocks as reported on April 1 were about the same as a month earlier, but wheat as well as rye stocks are considerably above the figures reported for April 1,1932. Farm stocks of wheat in France are still reported to be abundant.

Port stocks in the middle of April were considerably above middle and end of March holdings, but it is to be expected that the more active purchasing activity of the flour mills in the second half of April will somewhat reduce these stocks by the end of April. The largest increase has taken place at Antwerp, whereas a decline was reported from Rotterdam.

Continental port stocks are now somewhat smaller than a year ago, but perhaps the main difference apparent from a comparison of the figures is in the distribution of the stocks this year as against last. The bulk of the stocks last year was in southern Europe, whereas this year it is in northwestern Europe.

United States

The May 1 condition of 66.7 percent of normal for winter wheat indicates a probable production of 337,485,000 bushels compared with 334,087,000 bushels estimated on April 1, 462,151,000 bushels produced in 1932 and 589,436,000 bushels the average production for the 5-year period, 1926-1930. The indicated crop is smaller than the production in any year since 1904. The acreage remaining for harvest is estimated at 27,096,000 acres compared with 33,656,000 acres harvested in 1932 and the average of 38,560,000 acres for the 5-year period, 1926-1930. This is a smaller acreage than harvested in any year since 1912.

The condition of the growing crop on May 1 at 66.7 percent of normal is the lowest on record. The condition on May 1,1932, was 75.1 percent, and the May 1 condition for the 10-year period, 1921-1930, was 81.9 percent. The condition is below average in all of the principal winter wheat States and is notably low in the Great Plains area and in the Pacific Northwest. Since April 1, the prospective production has increased in nearly all sections except the Pacific Northwest, though lower figures on May 1 than on April 1 are shown in scattered States.

The percentage of acreage abandoned is estimated at 32.2 percent of the area sown last fall and may be compared with 13.7 percent in 1932, and with 14.7 percent, the average for the 10-year period, 1921-1930. This is the highest percentage abandonment on record. The acreage abandoned this year was 12,889,000 acres

The indicated production of hard red winter wheat is 164,064,000 bushels, compared with 264,933,000 bushels last year; soft red winter wheat 144,270,000 bushels compared with 147,742,000 bushels last year; and fall sown white wheat 29,151,000 bushels, compared with 49,476,000 bushels last year.

Seeding of spring wheat this year has been considerably later than usual, especially in Minnesota, North Dakota, and Montana, seeding having been delayed by wet soil conditions. At this date, May 10, however, nearly the normal percentage of the acreage has been seeded. Most of the acreage still unseeded is in normally late seeding sections of Montana, Idaho and North Dakota.

Canada

Early conditions in the Canadian prairie provinces indicate a moderate crop, probably somewhat larger than that of 1932. It is, of course, too early to judge with accuracy the size of the harvest since conditions in the growing season are much more important to the crop than conditions to date. The Canadian official report of farmers' intentions as of May 1 to plant spring wheat, together with the winter wheat acreage retained for harvest is 25,685,000 acres, a reduction of over 5 percent from the 27,182,000 acres harvested in 1931. The intention report of each of the past 2 years, that is, since its inauguration, has indicated acreages from 7 to 8 percent below the actual acreages harvested. The amount of ground prepared last fall for seeding suggests a wheat acreage in the prairie provinces of roughly about 25,000,000 acres which with the fall wheat remaining for harvest and spring wheat acreage in the East would give a total indicated acreage of about 25,800,000 acres. Recent increases in wheat prices may induce farmers to try to sow additional areas but the lateness of the season will probably prevent a complete accomplishment. Mr. Murray of Clement Curtis and Company places acreage in the prairie provinces at 25,283,000 acres which with winter wheat acreage and intended spring acreage in the East would give a total of 26,049,000 acres.

Growing conditions have been moderately favorable. Rainfall the first third of May in Saskatchewan and Alberta has been considerably heavier than for the corresponding period in either of the preceding 2 years, and has at least partially offset the lack of subsoil moisture caused by shortage of rainfall last autumn. The lateness of the season is not necessarily harmful to the crop but may cause damage if the summer months are unusually warm or dry, or, in case of late sown fields, through damage from early frosts. The official report of seeding through April 30 in Saskatchewan showed 13 percent compared with 23 percent at that date last year, in Manitoba 22 percent compared with 52 percent last year and in Alberta 10 to 15 percent compared with 17 percent last year.

A steady decline in the use of fertilizers has been reported in the past 4 years, with resultant impoverishment of the soil and reduction of yields, according to Consul General Heintzleman. The low returns from last year's farming operations reduces the likelihood of an increase in fertilizer use this season.

A yield equal to the average for the past 28 years in the prairie provinces applied to the official report of intended acreage would give 435,000,000 bushels, and adding about 20,000,000 for the rest of Canada would give 455,000,000 bushels for the Dominion compared with 428,514,000 bushels last year.

Southern Hemisphere

Early weather conditions have been favorable to plowing and seeding in Argentina but unfavorable in Australia. For Australia an early official report indicated a slight decrease in acreage from the amount sown a year earlier, while in Argentina early unofficial reports predicted an increase. Both countries have long seeding periods lasting through June and even well into July in Argentina, and the area to be sown will be influenced by economic as well as weather conditions for the next month or two. In both countries wheat prices have been increasing since the first of April, but other prices have also been increasing. In Australia some tendency has been noted among wool producers to increase wheat acreage when wool prices were low, and vice versa. This year while there has been a recent increase in Australian wool prices on the London market it has probably not been great enough to cause much change in wheat seeding plans.

In Argentina low labor costs and, at least in the Pampa, reduced rentals as well, may tend to encourage increased wheat seeding, and wheat prices since April 1 have been well maintained in comparison with corn and flax. While the rise in wheat prices has been less in paper pesos than the rise in flax prices the percentage increase has been greater. However, an official report of late April stated that in Cordoba there was some tendency to shift from wheat to flax. An additional factor may be of some influence on the Argentine wheat acreage this year. There is some tendency among Argentine growers of both cattle and wheat to put wheat land into alfalfa when cattle are profitable or vice versa, and from the first of January until the first of April this year when wheat prices were falling, beef prices increased nearly 50 percent.

Last year's wheat acreage sown in Argentina was 19,790,000 acres, a larger area than in 1931-32 but smaller than any of the 4 years 1927-28 to 1930-31. The 15,585,000 acres harvested in Australia last year was the largest on record except for 1930-31 when 18,165,000 acres were harvested.

Continental Europe

All winter crops in Germany were above average on May 1 and about the same as a year ago according to a report of the Reich Statistical Office, though a slight deterioration is evident as compared with the April 1 estimate. Spring

sowings in Germany progressed under favorable conditions and were generally completed by April 20. Rains and warm weather during the last few days of April were most beneficial.

Satisfactory conditions for winter crops in Austria are reported. The official Austrian report for the end of March indicated the condition of all winter cereals as considerably above the same time last year, and a further though slight improvement is evident as compared with the previous month. Spring sowings were made under generally favorable conditions. The recent turn to rainier and warmer weather will no doubt have a favorable influence on the development of the young plants, which were previously reported in need of both rain and warmth.

The French wheat crop is reported to be in good condition, particularly since the first of May when a week or more of good rains relieved the drought conditions.

Belgian winter crops are in good condition, according to the official report as of the beginning of April. Spring sowing was completed under favorable conditions. An increase in the acreage of oats, flax, and a few minor crops is expected, at the expense of potatoes and sugar beets, with reports indicating that the reduction in the case of the latter will probably be considerable.

Russian spring seedings were in full swing in mid-April everywhere except in the northern and eastern regions of the Union, and the first reports indicated better progress than last year or 2 years ago, in both of which, however, the seeding was rather backward. The total area reported sown on May 1 this year was 62,600,000 acres, or about 70 percent of the acreage on the same date last year though only a little more than three-fourths of the large area sown by May 1, 1930.

Seeding up to the present time has made better progress in the Middle Volga and Central Fertile Region and in parts of the Lower Volga than it has elsewhere. The rate of seeding to date has been quite favorable, everything considered, but there can be no question that the quality of the operations leaves much to be desired. Shallow plowing and generally poor preparation of the soil, a reduced quantity of seed per acre, and seeding in fields cluttered with weeds and abundantly supplied with weed seed from last year's crop, are facts which cannot be denied, and all of which are bound to be reflected in the yield from the 1933 crops. A system of controling the quality of field work has been introduced this year, with committees appointed to investigate work done and to order repetition of work not properly carried out, but it is doubtful whether these measures will be very efficacious when the conditions to be contended with are considered. The problem of weeds is particularly serious this year. Reports indicate that many fields in the southern regions of the Union are in such a condition as to make normal yields out of the question.

Reports on the condition of winter crops in Russia are exceedingly scarce and irregular. The latest information referring to conditions at the close of March indicates no unusual winter damage.

Owing to adverse weather, winter wheat in the Danube Basin has continued behind its normal growth. However, no serious damage is reported, and statements received from all Danube countries are to the effect that the condition of the crop is good to very good.

Reports regarding abandonment of winter wheat are to the effect that important abandonment has only occurred in restricted areas. For the Basin as a whole it is believed that abandonment will not exceed more than 1 to 2 percent, which is about normal for the region.

Spring wheat seeding began in all Danube countries around the middle of March, but the progress in planting has been handicapped by rains and snows. Consequently, the crop is somewhat late.

Early sown spring wheat is just beginning to come up, but late plantings have in many cases not germinated, because of continued cold weather.

Turkey

There is no official data available regarding area sown to wheat in Turkey for harvest in 1933. However, information obtained from well informed private sources is to the effect that the area planted amounts to about 9,100,000 acres which is practically equal to the area sown for harvest in 1932 officially estimated at about 9,187,000 acres, and materially above the average plantings for 1926 to 1930 of approximately 7,764,000 acres.

The crop was planted under favorable conditions, but the plants are not as far advanced in growth as is normal for this season of the year, due to a somewhat limited supply of moisture in the fall, and to continued cold weather during the spring months. However, the crop is still in good condition, and the present outlook indicates that yields will be materially above those obtained in 1932. Rains in the fall of 1932 were materially below those in the fall of 1931, and the crop is more dependent on spring rains than was the crop harvested in 1932. Spring rains to date have been ample, and if sufficient rain is had during May a good crop is practically assured.

Japan

With average weather until harvest, the new crop is expected to show as much as 25 percent increase over last year, due chiefly to acreage increase. Carry-over of wheat this year will probably be at least 3,000,000,000 bushels below that of last July. It appears that important progress is being made in the 5-year plan for increasing wheat production.

China

The Chinese wheat crop in North China is reported to be making good progress on acreage slightly larger than last year. With favorable spring rains in Shangtung, Honan and Hopei, production is expected to exceed that of the past 2 years and Tientsin mills undoubtedly will have ample supply of native wheat for the coming crop year. In Yangtze Valley, due to the cold, wet spring, the crop is from 1 to 2 weeks late. Present condition is good and unless unfavorable weather for maturing develops, Shanghai mills will have more native wheat available than last year.

Prices, Movements and Markets

Prices of wheat in the United States during April and the first 2 weeks of May continued the advance which began in early March. On May 15, July futures at Chicago closed at $73\frac{3}{4}$ cents per bushel, compared with 54-7/8 to 55 cents on April 1 and $55\frac{1}{2}$ cents per bushel on May 15, 1932. At Liverpool, July futures advanced from $48\frac{3}{4}$ on April 1 to 60-7/8 cents on May 15, thus the advance at Liverpool was about 12 cents per bushel, whereas, at Chicago the advance was nearly 19 cents. The greater advance in domestic prices can in part be attributed to the depreciation of the dollar, the anticipation of monetary inflation, and the prospects for a winter wheat crop which may be the smallest since 1904.

Prices at Winnipeg followed the advance at Chicago more closely than the Liverpool advance. At Buenos Aires, Argentina and Sidney, Australia wheat prices tended to follow the advance on the Liverpool market. Prices

of wheat in the protected markets of Europe are usually considerably higher than world prices. Frequently these prices change without respect to the changes in the world markets. During the latter part of April and first of May, however, prices of domestic wheat in Berlin, Paris, and Milan advanced considerably. The largest advance was in Paris; the average price of domestic wheat at that market for the week ended April 8 was 99 cents per bushel. The average for the week ended May 6 was $1.27 per bushel. This advance was in part the result of the appreciation of the franc in terms of the dollar and in part the result of governmental activities in stabilizing domestic wheat prices.

Table 3.-Wheat: Price per bushel at specified markets, March 4, 1933 - May 13, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 8/	Milan 8/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Mar. 4	43.6	49.5	36.0	34.6	48.4	47.5	129	111	152
11	---	---	---	---	---	---	---	---	---
18	50.3	55.6	39.7	36.1	49.6	47.7	130	112	---
25	48.8	53.8	37.0	35.5	49.0	46.7	128	111	146
Apr. 1	50.0	55.4	38.0	36.0	46.3	47.3	127	107	145
8	54.2	58.6	39.3	35.3	48.1	46.6	126	99	141
15	57.8	63.2	40.7	35.2	51.0	47.5	126	103	138
22	63.2	68.8	44.8	36.2	51.5	50.9	129	111	148
29	66.0	72.9	48.1	40.8	56.0	53.6	136	119	154
May 6	70.9	76.2	51.9	43.5	---	56.1	147	127	---
13	71.6	76.1	53.1	---	---	---	---	---	---

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales. 7/ Domestic.

Table 4.-Wheat: Average price per bushel of parcels of specified description, c.i.f. at Liverpool, specified periods, 1932 and 1933

Period	No. 3 Manitoba Northern		Rosafe	
	1932	1933	1932	1933
	Cents	Cents	Cents	Cents
Mar. 4	67	48	58	42
11	69	--	59	--
18	67	52	58	44
25	63	50	55	44
Apr. 1	64	50	55	43
8	65	51	56	43
15	65	52	58	44
22	65	56	58	46
29	63	60	57	50
May 6	61	--	56	--
13	62	--	59	--

Compiled from Broomhall's Corn Trade News.

Table 5.-Wheat: Closing prices of July futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Feb. 20) 3/	64	68	56	63	70	68	62	50	64	56	4/ 50	5/ 40
Apr. 21)	54	47	47	41	58	45	55	40	56	48	4/ 46	5/ 35
22	59	69	52	63	63	68	58	63	60	56	5/ 48	5/ 41
29	58	72	51	66	62	70	56	53	58	56	5/ 48	5/ 40
May 6	57	74	51	68	61	73	56	57	59	63	5/ 47	5/ 47
13	56	74	50	69	60	73	56	58	59	63	50	5/ 47

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ High and low for period (February 20-April 21, 1933) (February 23-April 22, 1932).
4/ May and June futures.
5/ June futures.

Table 6.-Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western white Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Feb. 25) 2/	60	62	55	58	77	63	86	67	58	65	67	57
Apr. 15)	56	48	47	44	66	50	74	50	52	55	57	44
22	61	67	54	63	73	69	73	68	57	71	68	56
29	60	71	52	66	73	73	66	75	56	75	67	60
May 6	57	74	51	71	69	76	65	78	53	80	66	62
13	58	74	52	72	69	76	68	75	54	82	66	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (February 25-April 15, 1933) (February 26-April 15, 1932).

Continental Europe

Continental wheat markets continued relatively quiet during early April, with import business largely restricted to a very small flow of foreign wheat into central and western Europe, where Belgium and Holland are this year the Continent's largest wheat importers. Import purchasing activity increased somewhat, however, around the middle and during the second half of April, stimulated by financial developments in the United States and subsequent speculative activity on world grain markets, as well as by some belief in slightly better prospects for wheat.

The quietness of the market in early April was due to a considerable extent to continued slow demand for foreign grain by European flour mills. Pessimistic reports on the outlook for the American winter wheat crop, however, soon began to lend strength to the market, and business also began to regain more normal activity because of the rapid progress in liquidating the bank crisis in the United States. Less pressure to sell by Argentina and Australia was also apparent during the second week of April. Following the Easter

holidays, currency developments in the United States stimulated speculative grain buying to a considerable degree, and this was likewise accompanied by an improvement in flour sales in Europe which brought about some covering of grain requirements by European flour mills during the second half and especially toward the close of the month.

The movement of prices of domestic wheat on continental markets during April, however, has continued largely independent of the movement on world markets, though futures prices at the port markets have shown a general tendency to conform with developments in overseas countries.

Shipments of wheat and flour to the Continent of Europe during the 4 weeks ended April 8 have shown a considerable fall below the figures for the previous 4 weeks and, particularly, in comparison with the corresponding 4 weeks of last year. Shipments in subsequent weeks, however, have shown a slight revival. Total overseas shipments to the Continent for the season to date are now approximately 30 percent below those of last season. The bulk of the shipments for the Continent is still coming from North America. Argentina is still important, but a considerable decline in Argentina shipments in recent weeks has probably accounted partially for firmness on continental import markets.

Wheat and flour shipments to all of Europe, that is, to the Continent and the United Kingdom, as well as shipments on order, during the 4 weeks ended April 8, have also shown a marked decline as compared with the previous 4 weeks and the corresponding 4 weeks last year. Total shipments to all of Europe for the season to date are likewise much below last year - roughly 20 percent. Russia and the Danube Basin have contributed practically nothing to these shipments in recent weeks.

Germany

As a result of the rise in foreign prices, wheat import purchases against exchange certificates came to a standstill, and flour mills turned more to the domestic product - a fact which tended to support domestic wheat prices. For 1 or 2 days considerable uncertainty was also felt on the grain market about the future currency policy in Germany, and this likewise led to a certain increase in speculative buying. A straight-forward declaration of the Reichsbank that for the time being Germany would not go off the gold standard soon quieted these fears.

Quotations on German wheat showed no significant changes during the month of April, except for some slight increase in both wheat and rye prices at Berlin during the second half of the month. On the other hand, prices of foreign wheat, in terms of stable currency, have risen slightly in sympathy with overseas developments.

France

French wheat markets were very dull during the first 10 days of April, with offerings by farmers limited and restricted hand-to-mouth demand being shown by the flour mills. Transactions in foreign wheats were also insignificant, although some demand for Manitobas developed for reexport in the form of flour. Toward the middle of April the market grew firmer, both as a result of less optimistic comments on domestic crop prospects, as well as following rumors of the introduction of export certificates for 3,674,000 bushels of

wheat. This firmness continued throughout the second half of April, but with transactions limited, because farmers made extensive use of the January 26, 1933 legislation guaranteeing a price of Frs. 115 per 100 kgs. or $1.23 per bushel (conversion at par) for wheat stored by farmers under government contract, as against the current open market price of between 96 and 107 cents per bushel. Business in foreign wheat, however, continued weak, and demand on the part of the mills remained moderate.

Holland and Belgium

The import markets in Holland and Belgium were generally inactive at the beginning of April, when large offers of Plates at prices favorable to buyers depressed the markets. Toward the middle of the month more active buying developed, and purchases of overseas wheat, were at times important. Manitobas in near positions were particularly favored. Arrivals of Plates in better condition also tended to stimulate increased buying interest.

Czechoslovakia

Wheat trading on Czech markets during the month of April was not especially important, but was characterized by a considerable increase in the share of foreign, especially Argentine and Bulgarian, wheat in the total business. This increased interest in foreign wheats seems to indicate that the existing deficit is now coming more clearly to light. Official price quotations, however, have not shown significant changes, but have remained on a level somewhat above March prices.

Danube Basin

Favorable outlook for the coming crop, need for funds, and the improved condition of country roads in the Danube Basin has caused farmers to deliver increased quantities of wheat to markets in all Danube countries with the exception of Hungary. Large offers and continued small demands have resulted in lower prices. News of unfavorable crop outlook in the United States, following the issuing of the United States Department of Agriculture April report checked the rapid price decline, but prices still tended to decline to lower levels.

In Hungary sharp price declines were prevented by the depletion of Tisza wheat stocks, which is the wheat most actively traded in. Prices were also supported to a limited extent by speculative purchases which took place about the middle of April.

In Rumania and Yugoslavia offers of wheat increased materially during the period under review, but demands were limited because mills would only buy in limited quantities. Consequently, prices declined rapidly.

Turkey

Wheat prices in Turkey have varied but little during the past few months, and the volume of trading, movement to markets, and stocks at terminal points have tended to follow their normal seasonal trends.

The uniformity in price and normal movement of wheat which has prevailed during the past few months can be explained by the fact that the

Government, operating through the Agricultural Bank, has purchased and sold wheat at fixed prices, which are above world market parity, thereby, stabilizing internal prices and preventing speculation on the part of grain dealers. The law authorizing such transactions was put into effect on July 7, 1932. It specified that losses on such operations up to 1,000,000 Turkish lira per year would be covered by the Government. On the other hand, any profits resulting from the operations were to be used to construct pits and warehouses to store wheat in surplus years.

There is no authentic information available as to the exact extent of the Government operations during the current season. However, reports from trade sources are to the effect that an important part of the country's 1932 crop has passed through the hands of the Government, and that a large part of the existing commercial wheat stocks of the country are now in the hands of the Government agents.

Japan

Imports of wheat for the year ending June are expected to be 19,800,000 bushels compared with 29,949,000 bushels last year. Exports of flour for the season will be nearly 13,600,000 bags compared with 6,800,000 bags last year. Most of this increase is due to larger exports to Manchuria following the short crop of that section.

Arrivals of foreign wheat at Shanghai continued heavy during April with only about 2,700,000 bushels outstanding to arrive in May and June. Imports at Shanghai for January to April were about 19,800,000 bushels, imports at other Chinese ports for July to March were 5,100,000 bushels. Shanghai wheat stocks are heavy and are now estimated at 4,000,000 bushels. Carry-over of foreign wheat July 1 will be larger than last year. Argentine 60 pound wheat has proved unpopular with Shanghai mills due to poor quality. One cargo New Zealand wheat is booked to arrive at the end of May.

May 11 prices c.i.f. Shanghai; Argentine, 63½ pounds per bushel July shipment in bulk 53 cents per bushel, Australian June shipment in bags 58 cents per bushel, Canadian number two quotations vary from 59 cents to 65 cents, western white unquoted. Chinese wheat July delivery 47 cents, Shanghai spot flour per bag 68.7 cents, July 58.9 cents per bag. Exchange rates are, one Mexican dollar equals 24¼ cents in gold. There have been no recent reports regarding the proposed Chinese duty on imported flour.

World-wide Trends of Wheat Acreage and Exports in Recent Years

The United States is the only one of the important wheat producing countries which has materially reduced wheat area in the past 4 years. A comparison of the wheat area of the United States with that of other wheat growing countries, is shown in the following table:

Table 7.-Wheat: Area 1/ in specified countries, 1921-22 to 1932-33

Year beginning July	United States	Canada, Argentina, and Australia	Europe excluding Russia: Lower Danube	Europe excluding Russia: Other Europe	Russia	Others excluding China	World total excluding China
	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres
1921-22	64.6	47.2	15.0	49.2	38.4	48.6	263.0
1922-23	61.4	48.5	16.1	49.1	22.3	51.3	248.7
1923-24	56.9	48.6	16.2	49.9	39.2	55.3	266.1
1924-25	52.5	50.7	18.1	49.3	52.7	53.8	277.1
1925-26	52.4	50.2	18.5	50.8	63.1	58.1	293.1
1926-27	56.8	53.9	18.7	51.3	73.9	58.2	312.8
1927-28	59.6	55.5	18.9	52.4	77.4	55.9	319.7
1928-29	59.3	61.7	19.6	51.8	68.5	59.8	320.7
1929-30	62.7	60.8	18.4	51.7	73.5	59.1	326.2
1930-31	61.1	64.4	20.0	53.7	80.5	58.6	338.3
1931-32	55.3	58.2	20.9	55.0	92.1	62.1	343.6
1932-33	55.2	63.6	18.8	56.1	88.7	62.5	343.9

1/ All figures are harvested areas except in the case of Argentina for which the area sown is used.

The great increase in the wheat acreage for the world outside China from 248,700,000 acres in 1922-23 to 343,900,000 acres in 1932-33 has been due primarily to an increase of 66,400,000 acres in the Russian area. There has, however, also been a significant increase in the acreage of wheat in Canada, Argentina and Australia, the area in these three countries having expanded from 48,500,000 acres in 1922-23 to 62,600,000 in 1932-33. Likewise, both the exporting and importing countries of Europe have increased their area. The decrease in the wheat area of the lower Danube in 1932-33 is the result of unfavorable weather conditions in that year, and hence is not indicative of a downward trend. The United States, however, has shown a decrease from 61,400,000 in 1922-23 to 55,200,000 acres in 1932-33 and this decrease has been due primarily to a reduction of the planted area.

There have been two periods during the past 10 years in which the United States wheat acreage has shown a marked decrease. Following the war, there was a general downward trend which ended in 1924. From then until 1929, the United States joined with the rest of the world in an expansion of the world wheat area, but since 1929 the area in the United States has declined, whereas that of other important wheat growing countries has either increased or remained at about a constant level.

On account of the large abandonment of winter wheat which takes place in the United States from time to time, the trend of acreage is not particularly well shown by the areas harvested, as given above. The areas of the wheat sown in the United States, for the years 1920 to 1933 are as follows:

Year	United States 1,000 acres	Year	United States 1,000 acres
1920	67,804	1927	65,999
1921	67,377	1928	71,375
1922	67,513	1929	66,517
1923	64,316	1930	66,192
1924	56,030	1931	64,212
1925	61,844	1932	63,078
1926	61,314	1933	1/ 61,485

1/ Acreage of winter wheat sown plus acreage of spring wheat indicated by reports of intentions-to-plant.

The fact that the wheat area of the United States has declined during the past 4 years, while the area in other countries has either or remained about stationary is, no doubt, due to a number of causes. A matter of prime importance however, is that attempts of the government have had little effect in checking the decline of prices received by wheat growers in the United States during the past 5 years, while in every other important wheat growing country there has been effective government aid. In those importing countries of Europe, which are large wheat growers, prices have been maintained at about $1.00 a bushel higher than the world price.

In the exporting countries of Europe various forms of export dumping or other direct aid to wheat growers has been adopted, and in addition these countries have been active in negotiating preferential treaties to improve the market for their wheat. In Argentina, Australia, and Canada, currency depreciation took place long before it did in the United States, so that the wheat growers of these countries have not felt the full effects of the decline of prices in terms of gold. It is evident, consequently, that whether through import restrictions, export aids or currency depreciation, every important wheat growing country, other than the United States, has taken action which has tended to improve the position of their wheat growers.

In view of these facts, it is not surprising that wheat exports from the United States have fallen off in recent years and that the United States is supplying a much smaller portion of the world market than in former years. The following table compares the net exports of the United States with those of her most important competitors in the world wheat market:

Table 8.-Wheat, including flour: Net exports of specified countries, 1921-22 - 1931-32

Year beginning July	United States	Canada, Argentina, Australia	Lower Danube 1/	Russia	9 countries
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1921-22	262,156	410,826	19,856	---	692,838
1922-23	201,978	469,541	11,559	---	683,078
1923-24	131,801	596,739	30,614	21,367	780,521
1924-25	254,601	443,586	29,827	301	728,315
1925-26	92,356	497,296	43,261	27,085	659,998
1926-27	205,896	539,346	44,443	49,200	838,885
1927-28	190,525	546,355	33,325	4,866	775,071
1928-29	142,245	756,241	33,892	124	932,502
1929-30	140,289	405,859	55,788	7,380	609,316
1930-31	112,416	531,054	44,845	111,527	799,842
1931-32	122,911	499,844	82,734	69,737	775,226
	Percent	Percent	Percent	Percent	Percent
1921-22	37.8	59.3	2.9	---	100.0
1922-23	29.6	68.7	1.7	---	100.0
1923-24	16.9	76.5	3.9	2.7	100.0
1924-25	35.0	60.9	4.1	0	100.0
1925-26	14.0	75.3	6.6	4.1	100.0
1926-27	24.5	64.3	5.3	5.9	100.0
1927-28	24.6	70.5	4.3	0.6	100.0
1928-29	15.3	81.1	3.6	0	100.0
1929-30	23.0	66.6	9.2	1.2	100.0
1930-31	14.1	66.4	5.6	13.9	100.0
1931-32	15.8	64.5	10.7	9.0	100.0

1/ Hungary, Yugoslavia, Rumania and Bulgaria.

It is evident that the United States has been losing out as a competitor in the world wheat market. Her position has been even more unfavorable during the 1932-33 season than it was in 1931-32. Indications are that United States net exports this season will not be more than 35,000,000 bushels. In the years 1921-22 to 1931-32, inclusive, the exports of the United States averaged 23.5 percent of the total exports of the countries shown in the table.

Table 9.-Wheat: Acreage production and yield per acre in specified countries, 1921-22 to 1932-33

Crop year	United States	Canada	Argentina 1/	Australia	Europe 2/	All others 3/	Russia
	Acreage						
	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres
1921-22	64.6	23.3	14.2	9.7	64.2	48.6	38.4
1922-23	61.4	22.4	16.3	9.8	65.2	51.3	22.3
1923-24	56.9	21.9	17.2	9.5	66.1	55.3	39.2
1924-25	52.5	22.1	17.8	10.8	67.4	53.8	52.7
1925-26	52.4	20.8	19.2	10.2	69.3	58.1	63.1
1926-27	56.8	22.9	19.3	11.7	70.0	58.2	73.9
1927-28	59.6	22.5	20.7	12.3	71.3	55.9	77.4
1928-29	59.3	24.1	22.8	14.8	71.4	59.8	68.5
1929-30	62.7	25.3	20.5	15.0	70.1	59.1	73.5
1930-31 4/ ..	61.1	24.9	21.3	18.2	73.7	58.6	80.5
1931-32 4/ ..	55.3	26.2	17.3	14.7	75.9	62.1	92.1
1932-33 4/ ..	55.2	27.2	19.8	15.6	74.9	62.5	88.7
	Production						
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22	819	301	191	129	1,222	515	205
1922-23	847	400	196	109	1,044	607	243
1923-24	760	474	248	125	1,257	655	419
1924-25	840	263	191	165	1,058	610	472
1925-26	669	395	191	115	1,397	613	732
1926-27	834	407	230	161	1,216	648	914
1927-28	875	480	282	118	1,275	641	785
1928-29	926	567	349	160	1,410	599	807
1929-30	813	305	163	127	1,450	703	694
1930-31 4/ ..	857	421	232	214	1,362	729	989
1931-32 4/ ..	900	321	220	190	1,435	715	
1932-33 4/ ..	727	429	235	216	1,465	663	

Crop year	World, excluding Russia and China: Acreage	Yield per acre	Production	World, excluding China: Acreage	Yield per acre	Production
	World totals					
	Million acres	Bushels	Million bushels	Million acres	Bushels	Million bushels
1921-22	224.6	14.1	3,177	263.0	12.9	3,382
1922-23	226.4	14.1	3,203	248.7	13.9	3,446
1923-24	226.9	15.5	3,519	266.1	14.8	3,938
1924-25	224.4	13.9	3,126	277.1	13.0	3,598
1925-26	230.0	14.7	3,380	293.1	14.2	4,162
1926-27	238.9	14.6	3,496	312.8	14.1	4,410
1927-28	242.3	15.2	3,671	319.7	13.9	4,456
1928-29	252.2	15.9	4,011	320.7	15.0	4,818
1929-30	252.7	14.1	3,561	326.2	13.0	4,255
1930-31 4/ ..	257.3	14.8	3,815	338.3	14.2	4,804
1931-32 4/ ..	251.5	15.0	3,781	343.6		
1932-33 4/ ..	255.2	14.7	3,755	345.9		

1/ Area sown. 2/ Excludes Russia. 3/ Excludes Russia and China.
4/ Preliminary.

Table 10.-Wheat: World supply, price and disappearance, 1921-22 to 1932-33

Year	Production						
	United States	Canada	Argentina	Australia	Europe 1/	All other 2/	World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22	819	301	191	129	1,222	515	3,177
1922-23	847	400	196	109	1,044	607	3,203
1923-24	760	474	248	125	1,257	655	3,519
1924-25	840	262	191	165	1,058	610	3,126
1925-26	669	395	191	115	1,397	613	3,380
1926-27	834	407	230	161	1,216	648	3,496
1927-28	875	480	282	118	1,275	641	3,671
1928-29	926	567	349	160	1,410	599	4,011
1929-30 3/	813	305	163	127	1,450	703	3,561
1930-31 3/	857	421	232	214	1,362	729	3,815
1931-32 3/	900	321	220	190	1,435	715	3,781
1932-33 3/	727	429	235	216	1,485	663	3,755

Year	Ship-ments from Russia	Stocks accounted for July 1 4/	Total supply	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents
1921-22	5/	309	3,486	3,193		120
1922-23	7	293	3,503	3,191	136	113
1923-24	21	312	3,852	3,505	121	105
1924-25	6/	347	3,473	3,196	179	135
1925-26	27	277	3,684	3,406	170	163
1926-27	49	278	3,823	3,484	164	135
1927-28	5	339	4,015	3,582	154	135
1928-29	6/	433	4,444	3,827	129	112
1929-30 3/	7	617	4,185	3,616	131	120
1930-31 3/	112	569	4,496	3,840	80	76
1931-32 3/	72	656	4,509	3,844	59	47
1932-33 3/	20	665	4,440		(54)	(45.6)

1/ Excludes Russia.
2/ Excludes Russia and China.
3/ Preliminary.
4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia and Canada, the United Kingdom port stocks and supplies afloat.
5/ Not available.
6/ Less than 500,000 bushels.

Table 11.-Wheat, including flour: Supply, distribution and disappearance in continental United States, 1927-28 to 1932-33

Item	Year beginning July					
	1927-28	1928-29	1929-30	1930-31	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
SUPPLY						
Stocks, July 1:						
On farms 1/	26,717	23,431	45,829	47,417	31,865	71,925
In country elevators and mills 1/	21,776	19,277	41,546	60,166	30,252	41,817
Commercial stocks 2/	21,052	38,587	90,442	109,327	203,967	168,405
In merchant mills and elevators 3/	37,038	31,920	48,279	46,670	21,808	63,502
In transit to merchant mills 3/	11,274	10,893	16,237	14,706	12,198	9,929
Stored for others by merchant mills 3/	---	---	---	12,500	18,413	7,080
Total wheat as grain	117,857	124,108	242,333	290,786	318,503	362,658
Flour (in terms of wheat) 4/	9,076	9,019	13,541	20,497	6,886	7,041
Total wheat and flour	126,933	133,127	255,874	311,283	325,389	369,699
New crop 1/	874,633	926,130	812,573	857,427	900,219	726,831
Imports (flour included) 5/	15,734	21,442	12,956	19,059	12,886	
Total supply	1,017,300	1,080,699	1,081,403	1,187,769	1,238,494	
DISTRIBUTION						
Exports and shipments:						
Exports (flour included) 5/	206,259	163,687	153,245	131,475	135,797	
Reexports (flour included) 5/	53	55	72	20	864	
Shipments (flour included to Alaska, Hawaii, and Puerto Rico 5/	2,690	3,172	2,977	2,850	2,757	
Total	209,002	166,914	156,294	134,345	139,418	
Seed requirements 6/	92,693	85,375	84,882	81,955	80,785	
Disappearance for food, feed and waste	582,478	572,536	541,444	646,080	648,592	
Carry-over, June 30 7/	133,127	255,874	298,783	325,389	369,699	
Total distribution	1,017,300	1,080,699	1,081,403	1,187,769	1,238,494	
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
Population, Jan. 1 8/	119,029	120,694	122,359	123,630	124,511	
Per capita disappearance:	Bushels	Bushels	Bushels	Bushels	Bushels	
For food, feed, and waste	4.89	4.74	4.43	5.23	5.21	
For food, feed, seed and waste	5.67	5.45	5.12	5.89	5.86	

Bureau of Agricultural Economics. Compiled as follows: 1/ Based on returns to the Bureau from crop reports. 2/ Bureau of Agricultural Economics. 3/ Bureau of the Census figures raised to represent all merchant mills. 4/ From Chicago Daily Trade Bulletin. 5/ From reports of Foreign and Domestic Commerce of the United States. 6/ Amount of seed used per acre from returns to the Bureau from inquiries sent to crop reporters. 7/ For individual items see above. 8/ Bureau of the Census.

Table 12.- Wheat including flour: Movement from principal exporting countries, 1929-30 to 1932-33

Country	Exports as given by official sources						
	Total			July 1 to date shown			Date
	1929-30	1930-31	1931-32	1930-31	1931-32	1932-33	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	153,245	131,475	135,797	102,309	106,998	36,231	Mar.31
Canada	184,213	267,365	199,563	212,688	163,515	223,886	Apr.30
Argentina	161,265	120,638	144,920	82,930	123,881	91,962	Apr.30
Australia	61,776	143,296	155,593	54,792	73,972	68,679	Jan.31
Russia	7,380	111,780	71,830	85,864	67,426	16,904	Dec.31
Hungary	31,415	18,425	18,064	7,056	11,035	3,282	Feb.28
Yugoslavia	23,593	5,332	15,369	5,156	11,898	1,130	Jan.31
Rumania	2,560	16,072	37,481	11,652	34,119	226	Jan.31
Bulgaria	96	5,041	11,795	1,573	6,521	2,181	Dec.31
British India (L&S)	6,798	10,197	1/ 2,913	8,479	1/2,268	1/ 664	Feb.28
Total	632,341	829,621	793,325	572,499	601,633	445,145	

	Shipments as given by current trade sources						
	Total		Weeks ended			July 1 to May 6	
	1930-31 (Rev.)	1931-32 (Prel.)	Apr. 22	Apr. 29	May 6	1931-32	1932-33
North America 2/	354,008	333,638	2,632	5,243	5,226	277,288	257,117
Canada, 4 markets 3/	273,437	206,258	2,902	9,796	9,210	166,101	236,741
United States	134,700	136,010	281	253	192	120,764	37,366
Argentina	121,696	144,572	3,140	4,788	3,352	123,364	90,692
Australia	148,500	161,404	4,136	1,921	3,968	135,500	137,769
Russia 4/	92,784	71,664	0	0	0	71,664	17,408
Danube & Bulgaria 4/	15,176	39,280	0	0	0	37,576	1,648
British India	5/10,197	5/ 2,913	0	0	0	616	0
Total 6/	742,361	753,471	9,908	11,952	12,546	646,008	504,634
Total European shipments 2/	615,392	597,976	5,384	5,092	3,730	508,536	367,674
Total ex-European shipments 2/	176,360	194,464	4,752	1,860	3,838	172,896	144,625

Compiled from official and trade sources.

1/ Sea trade only. 2/Broomhall's Corn Trade News. 3/Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster. 4/Black Sea shipments only. 5/Total exports as given by official sources. 6/Total of trade figures includes North America as reported by Broomhall's.

Table 13.- Wheat including flour: Exports from principal exporting countries, February, March and April 1932 and 1933

Country	Feb. 1932	Feb. 1933	Mar. 1932	Mar. 1933	Apr. 1932	Apr. 1933 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	7,995	2,176	8,554	2,105	11,882	1,289
Canada	11,417	12,421	11,787	17,022	8,663	5,515
Argentina	20,384	13,769	25,966	18,259	22,056	15,608
British India 2/...	173	31	215	1/ 0	142	0
Australia	21,012	1/ 26,832	19,290	1/ 28,252	15,647	11,197
Russia	914	1/ 450	440	1/ 472	349	96
Danube & Bulgaria 1/	364	0	1,120	32	1,104	0
Total	62,559	58,685	67,372	66,142	59,843	33,705

Compiled from official and trade sources. 1/ Preliminary. 2/ Sea trade only; land trade not reported since September 1931.

Table 14.- United States: Exports of wheat and wheat including flour, by weeks, 1931-32 and 1932-33

Date	Wheat 1931-32	Wheat 1932-33	Wheat flour 1931-32	Wheat flour 1932-33	Wheat including flour 1931-32	Wheat including flour 1932-33
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2 - Dec. 31	58,642	17,624	4,784	2,241	81,127	28,172
Jan. 7 - Jan. 28	4,040	1,100	607	209	6,893	2,082
Feb. 4 - Feb. 25	4,392	549	639	205	7,396	1,513
Mar. 4 - Apr. 1	5,631	275	496	259	7,992	1,492
Week ended						
Apr. 8	1,743	348	88	31	2,157	494
15	2,704	7	209	54	3,686	261
22	2,365	4	129	59	2,971	281
29	2,041	4	28	53	2,173	253
May 6	1,730	4	31	40	1,876	192

Compiled from weekly report of Bureau of Foreign and Domestic Commerce.

Table 15.- Wheat including flour: Shipments from principal exporting regions, specified dates, 1931-32 and 1932-33

Date	Argentina		Australia		Danube		North America	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 2-Dec.31	40,560	23,292	55,304	45,212	31,760	1,616	174,288	178,640
Jan. 7-Jan.28	12,276	12,228	21,648	22,308	2,336	0	20,560	20,200
Feb. 4-Feb.25	17,612	17,392	19,804	26,852	664	0	21,096	16,768
Mar. 4-Apr. 1	29,056	19,032	21,280	28,252	1,120	32	24,928	22,216
Week ended								
Apr. 8	5,080	4,676	3,936	2,428	88	0	4,856	2,608
15	4,528	2,792	3,144	2,712	208	0	7,304	3,584
22	4,432	3,140	3,176	4,136	320	0	7,520	2,632
29	5,368	4,788	3,736	1,921	488	0	7,680	5,243
May 6	4,452	3,352	5,472	3,968	592	0	8,856	5,226

Compiled from official and trade sources.

Table 16.- United States: Imports and exports of wheat including flour, July to April 1931-32 and 1932-33

Item	July 1, 1931 to Apr. 30, 1932 (revised)	July 1, 1932 to Apr. 30, 1933
	1,000 bushels	1,000 bushels
EXPORTS:		
Wheat	82,651	21,026
Flour in terms of wheat	35,334	16,494
Total	117,985	37,520
IMPORTS: (July-Mar.)		
Wheat	10,573	6,979
Flour in terms of wheat	1	1
Total	10,574	6,980
NET EXPORTS:		
Wheat	72,078	14,047
Flour in terms of wheat	35,333	16,493
Total	107,411	30,540

Compiled from official records, Bureau of Foreign and Domestic Commerce.

Table 17.- Wheat, including flour: Net imports into European countries, years 1930-31, 1931-32 and July 1 to latest date 1932-33

Country	1930-31	1931-32	Preliminary estimate 1932-33	Net imports reported July 1 to	1931-32	1932-33
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United Kingdom	221	245	210	Mar. 31	192	159
Italy	84	33	15-26	"	14	11
Belgium	45	48	40-44	Feb. 28	31	27
France	45	81	9-13	"	45	32
Netherlands	35	31	22-27	Mar. 31	24	21
Germany	30	22	2-5	"	12	3
Greece	24	24	17-20	Jan. 31	13	12
Irish Free State	19	20	19	Feb. 28	13	11
Switzerland	18	21	17-20	Mar. 31	17	15
Austria	17	15	11-13	Feb. 28	10	8
Czechoslovakia	13	20	7-11	"	14	2
Denmark	11	17	11-14	Mar. 31	14	10
Norway	8	9	7-8	"	7	6
Finland	5	4	4-5	Feb. 28	3	3
Sweden	5	7	3-4	Mar. 31	5	3
Poland	1/ -4	1/ -3	0-2	"	1/ -2	1/ 2/
Portugal	3	2	1-3	Jan. 31	2	2
Latvia	2	1	0-1	"	1	2/
Estonia	1	1	0-1	Feb. 28	2/	2/
Spain	1/ 2/	2	6-7	"	2/	8
Total	582	600			415	333

Compiled from official sources.

1/ Net export.
2/ Less than 500,000 bushels.

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WORLD WHEAT PROSPECTS

Summary

As the new crop year approaches, the United States is harvesting a very short crop of winter wheat, and indications are that total production of winter and spring wheat for the 1933 season will be less than domestic utilization during the year. The domestic market is still burdened by a very large carry-over, however, and the world market price is still at a very low level. Nevertheless, United States wheat prices are now at higher levels than they have been in either of the past 2 seasons. They have been influenced by the depreciation of the dollar in foreign exchanges, and furthermore have recently been maintained at a level about 20 to 25 cents above an export parity with the world market.

The United States carry-over as of July 1, this year, promises to be about the same as it was a year earlier. The crop now in prospect is likely to be less than enough for domestic use. Supplies for 1933-34 which include the carry-over of old wheat and the new crop will probably provide a surplus available for export. As long as United States prices remain far above an export parity, however, there is no prospect that any material exports will actually be made.

Turning from the domestic wheat situation to that of the world as a whole, indications are that the carry-over into the 1933-34 season will be

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The reports of the foreign offices have not been quoted at length but have been made the basis of, or largely used in, presenting the foreign situation.

larger than it was last year, but that world production may be somewhat smaller. The carry-over in the principal exporting countries as of July 1 is expected to be above that of last year by as much as 50,000,000 bushels, and some importing countries, notably Germany and France, apparently have larger stocks than they did a year ago. In Europe it is to be expected that the four exporting countries of the Danube Basin - Bulgaria, Hungary, Rumania and Yugoslavia - will have a considerably larger production than the small crop which they harvested last year. The remainder of Europe, in spite of some increase in acreage, is expected to produce less wheat than last year when yields were unusually good. The Spanish crop is placed at 43,000,000 bushels less than a year ago and trade estimates point to a French crop of about 25,000,000 bushels less than 1932. The four North African countries, Algeria, Morocco, Tunis and Egypt, are expected to produce this year about 23,000,000 bushels less than last year, but in India a crop of about 10,000,000 bushels larger than last year has been harvested. Altogether, the eight countries for which official reports are available are indicated to have a crop of about 47,000,000 bushels less than last year and the United States and Canada together seem likely to have about 250,000,000 bushels less.

The possibility of international cooperation in reduction of wheat acreage still hangs in the balance. It is clear, however, that the United States is in a favorable position to await the developments in other countries. It is readily possible for prices to be maintained well above an export basis throughout the 1933-34 season if there is sufficient prospect for improvement in the world wheat situation to justify the expectation that exports can be made at higher prices during the following year. In case there should be no improvement in the world situation, the United States might maintain domestic wheat prices by other means.

Prices

Prices of wheat in the United States during the first 3 weeks of May continued to advance. On the 22nd of May prices slumped about 2 cents per bushel but rapidly regained former levels and the month closed about as high as the average of the first 2 weeks. During the first week of June prices changed very little. On the 9th of June, September futures at Chicago advanced 2 cents per bushel and some further advances brought the close of September futures to 80 cents per bushel on the 12th of June. From the 12th to the 17th, however, about 4 cents of that advance was lost. September futures closed at 76 cents on the 17th. These fluctuations in prices were for the most part associated with changes in the value of the dollar as expressed in foreign exchange. Some of the recent advances, however, may be attributed to the hot weather conditions in Kansas which has damaged the winter wheat which is now being harvested.

September futures at Chicago closed on June 19 at 78-3/8 - 1/2 cents per bushel. The Liverpool close of October futures on that date was 66-1/4 cents per bushel, or a little more than 12 cents below Chicago. Winnipeg has followed the change in prices at Liverpool more closely than the Chicago prices. This may be explained by the fact that Chicago prices have tended to follow the foreign exchange on the dollar. At Buenos Aires prices advanced slightly during May but have remained practically unchanged during the first half of June.

Prices of wheat in the deficit areas of Europe were generally firm during May, but France, with its large surplus, suffered a renewed decline in prices following the upturn of April. The firmness of the continental markets at the beginning of May appeared to be due largely to the revival of speculative interest as a result of the currency fluctuations in the United States and the unfavorable prospects for winter wheat in the United States. The reports that Canada might reduce spring wheat acreage was an additional bullish factor.

Table 1.- Wheat: Average price per bushel of parcels of specified description, c.i.f. at Liverpool, specified periods, 1932 and 1933

Period	No. 3 Manitoba Northern		Rosafe	
	1932	1933	1932	1933
	Cents	Cents	Cents	Cents
Apr. 1	64	50	55	43
8	65	51	56	43
15	65	52	58	44
22	65	56	58	46
29	63	60	57	50
May 6	61	64	56	53
13	62	65	59	56
20	62	65	60	55
27	62	62	60	54
June 3	61	65	60	56
10	55		56	

Compiled from Broomhall's Corn Trade News.

Table 2.- Wheat: Closing prices of July futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cent
Mar. 27)3/	64	75	56	70	68	73	60	59	63	63	4/50	4/47
May 26)	54	52	47	46	58	51	55	42	57	48	4/46	4/37
27 ...	59	75	53	69	63	73	56	58	62	61	50	4/44
June 3 ...	54	72	48	67	59	71	50	5/57	59	5/62	50	4/46
10 ...	51	77	46	73	55	74	48	58	54	63	46	4/46
17 ...	48	74	44	69	53	73	46	58	50	62	45	46

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ High and low for period (Mar. 27-May 26, 1933) (Mar. 28-May 27, 1932).
4/ June futures.
5/ Price for June 2.

Table 3.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western white Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	193
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cent
Apr. 1) 2/	62	74	55	72	75	76	76	78	58	82	68	64
May 20)	57	55	48	50	66	55	65	59	52	56	58	5
27	64	71	57	68	74	74	69	70	58	78	65	5
June 3	59	74	53	69	69	77	64	72	54	81	60	6
10	55	74	48	71	65	77	56	68	50	76	56	6
17	54	74	46	72	63	77	57	70	49	75	54	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days deliver
2/ High and low for period (Apr. 1-May 20, 1933) (Apr. 1-May 20, 1933).

Table 4.- Wheat: Price per bushel at specified markets, April 1, 1933 - June 10, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 1	50.0	55.4	38.0	36.0	46.3	47.3	127	107	145
8	54.2	58.6	39.3	38.3	48.1	46.6	126	99	141
15	57.8	63.2	40.7	38.8	51.0	47.5	126	103	138
22	63.2	68.8	44.9	38.2	51.5	50.9	129	111	148
29	66.0	72.9	48.1	40.8	56.0	53.6	136	119	154
May 6	70.9	76.2	51.9	43.5	61.2	56.1	147	127	165
13	71.6	76.1	53.1	45.8	61.8	59.2	148	125	165
20	70.6	75.5	53.0	44.9	62.0	60.2	145	122	156
27	67.6	74.1	52.2	44.0	57.1	63.1	145	118	146
June 3	69.5	76.6	54.5	45.4	61.5	66.0	146	122	148
10	71.0	76.7	53.8	45.1			147	116	
17	71.7	77.1	54.9	46.2					

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales. 7/ Domestic.

Stocks

Surplus wheat available for export or carry-over in the principal exporting countries on June 1 totaled about 724,000,000 bushels which was about 62,000,000 bushels larger than a year earlier. The total accounted for world stocks on June 1, that is the exportable surplus in the exporting countries plus the United Kingdom port stocks and stocks afloat for the United Kingdom and Continent and for orders, totaled about 776,000,000 bushels, compared with 737,000,000 bushels a year earlier. Of this accounted for world supply a much larger percentage is in the hands of exporters than was the case a year earlier. Port stocks at the 12 principal continental ports totaled about 7,000,000 bushels on May 15, which was about the same as that of a year earlier. Stocks at Antwerp and Rotterdam were reported to be much above those of last year, while stocks at other ports were correspondingly lower. Stocks of wheat in both Germany and France continue large.

With port stocks at about the same level as last year and stocks in first and second hands in the principal importing countries somewhat larger than at this time last year, it seems unlikely that the exporting countries will be able to export a sufficient amount during June to reduce their surplus stocks to the level of those on July 1, 1932. Thus, it seems likely that the carry-over in the four principal exporting countries on July 1 may be as much as 50,000,000 bushels larger than that of a year earlier. It seems likely

also that the carry-over of wheat in Germany and France may be larger than that on July 1, 1932. The French trade has recently shown considerable interest in the probable size of the carry-over and its estimates ranged from 55,000,000 to 75,000,000 bushels.

In the United States, surpluses available for export and carry-over on June 1 was somewhat smaller than that of a year earlier, but, owing to the probability that exports during June may be negligible, it appears probable that the carry-over on July 1 will be as large as that of July 1, 1932.

Table 5.- Wheat: Surplus for export or carry-over in the principal exporting countries, and United Kingdom port stocks and stocks afloat, June 1, 1930-1933

Position	June 1			
	1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States -				
Domestic wheat	299	318	374	368
Canadian wheat	14	6	6	5
Canada -				
Domestic wheat	156	176	170	211
United States wheat	4	8	17	5
Argentina	49	74	45	73
Australia	45	75	50	62
Total	567	657	662	734
United Kingdom port stocks -				
Wheat	6	6	10	13
Flour (as wheat)	2	1	1	
Afloat for United Kingdom	10	15	18	
Afloat for Continent	19	36	28	39
Afloat for orders	7	10	18	
Total	44	68	75	52
Grand total	611	725	737	776

Crop Conditions

United States

Winter wheat: The June 1 condition of 64.0 percent for winter wheat indicates a crop of 341,017,000 bushels, which would be the smallest crop since 1904.

On May 1 condition indicated a crop of 337,425,000 bushels. Production in 1932 was 462,151,000 bushels and the 5-year average production (1926-1930) was 589,436,000 bushels.

Abnormally hot and dry weather since June 1 caught the crop in a critical stage of development since in a large part of the winter Wheat Belt it was in either the milk or the dough stages. The Crop Reporting Board has not attempted to evaluate the effect of weather since June 1 and the report relates strictly to the condition as reported on June 1.

The severe winterkill not only left a greatly reduced acreage for harvest but much of that left standing is in poor condition. Part of the crop lacks vitality and some of the stands are thin, uneven and weedy. Although wheat improved during the early part of May, it declined during the latter part of the month.

All spring wheat: The condition of all spring wheat on June 1 is 84.9 percent of normal, which is only slightly higher than the June 1 condition a year ago, but .9 under the 10-year average of 85.8 percent. Durum wheat which is planted later than other spring wheat shows a condition of 84.5 percent and other spring wheat, 84.9 percent. Spring wheat seeding began from a week to 10 days later than average in the principal spring wheat states, but favorable weather during the seeding period enabled farmers to complete sowing but little later than in an average season. Generally cool temperatures during May have been favorable for growth, and the crop shows a heavy stand in the chief spring wheat areas.

In the Pacific Northwest a large acreage originally planted to winter wheat and subsequently abandoned has been seeded to spring wheat. While the June 1 condition and the acreage shown by the March intentions report might be interpreted to indicate a crop slightly below average, it should be borne in mind that the outturn is largely dependent upon weather conditions after June 1. The first report on indicated production will be made as of July 1.

Canada

Conditions in the western provinces of Canada indicate a harvest smaller than last year if the sown area is equal to that indicated by reports of intentions to plant. A harvest between 385,000,000 and 400,000,000 bushels seems probable as compared with 423,514,000 bushels a year ago, but with some of the critical period still ahead, wide variations from present early indications are possible.

The Dominion report places the condition of the crop for all Canada as of May 31 at 99 percent of a long time average compared with 96 percent a year earlier. A yield 99 percent of the long time average, or 16.9 bushels to the acre, on the intended acreage would give a harvest of 434,000,000 bushels. Dominion reports of conditions through June 6 noted some complaints of moisture shortage. High temperatures with limited rainfall have caused serious crop damage recently. Stands were heavy and were expected to require frequent rainfall for normal development. Hatching of grasshoppers over considerable areas was noted, but poisoning was well under way. Wireworm damage was widespread and severe in southwest Saskatchewan.

Continental Europe

Although the wheat acreage of continental Europe probably exceeds that of 1932, it seems unlikely that production will exceed or even equal

last year's, as weather conditions during the critical periods last year left little to be desired. Even normal weather this summer would result in smaller yields than last year, as it is generally too rainy for best results.

Compared with the previous month's figures, crop conditions in Germany on May 1 showed a slight deterioration in the case of winter wheat and winter barley, while rye was unchanged. The condition of winter crops is slightly above average, and does not differ greatly from that of a year ago.

The weather during May was more favorable, being cool and rainy, and the appearance of the crops is reported to have improved. The critical time, however, is during the latter part of June and July, and it is doubtful that the unusually favorable harvest conditions of last year will be repeated.

Warm weather and increased rainfall the end of April and beginning of May were very beneficial to all crops in France, but it is considered unlikely that last year's bumper crop will be repeated. The usual number of complaints of minor damage are appearing, but in general the condition of the crops must be considered satisfactory, except possibly south of the river Loire, where the stand is reported to be thin and the plants short. Latest reports indicate definite crop deterioration in this area.

Conditions this year appear to be somewhat better than those of the corresponding date a year ago. The critical period in the development of the wheat crop, however, has not yet been reached, and the final outturn will depend largely upon weather conditions later in the season, particularly during July. The slight increase in wheat acreage, however, together with the favorable conditions reported are causing the government some concern, as another large wheat crop would present serious difficulties.

A slight deterioration took place in the case of winter wheat and winter rye in Austria during the month of April, according to the official report as of May 1, but crop conditions continue better than at the same time a year ago.

Despite the unfavorable weather conditions complained of during the past several weeks, crop conditions at the beginning of May in Czechoslovakia were officially estimated as above average, although a deterioration is evident as compared with the estimates of last fall. Wheat condition is relatively best, being both above average and above last year. Other crops are very near average, but less satisfactory than at the same time a year ago.

The official crop condition report of Poland for May 15 indicated all winter crops to be average or slightly above.

Sowings continued at a favorable pace in Soviet Russia during the last week of April and throughout the first half of May, with the total acreage sown by June 5 reaching 207,000,000 acres compared with 204,000,000 acres sown at the same time a year ago. There are, however, a number of extremely unfavorable factors in the present situation, of which the poor quality of the work, the over-abundance of weeds and the dissatisfaction among the farmers are perhaps the principal ones.

It should be pointed out that whereas sowings for the Union as a whole compare favorably with previous years, sowings in the important wheat regions of Ukraine, North Caucasus and Lower Volga are less satisfactory than in 1930, and in the case of North Caucasus and Lower Volga even below last year's sowings at the same date. In addition, it might be mentioned that sowings in practically all regions during the early part of the present spring campaign were rather backward, and it is only in recent weeks that the progress has been considered satisfactory.

This year, for the first time, data on the sowings of individual crops are lacking, but as the above-named regions are the important producers of wheat, especially for export, it is very likely that this year's spring wheat average will be seriously affected. This assumption is further supported by reports of seed shortage, especially in the important wheat regions of Ukraine and North Caucasus, and the acreage of wheat grown by individual peasants is certain to be greatly reduced everywhere, because of the lack of seed. Local reports from North Caucasus indicate that sowings of wheat are considerably below those of a year ago, and reports from the Middle Volga indicate an acreage about equal to last year. The numerous complaints with regard to poor quality of work, shortage of suitable seeds, and a veritable plague of weeds, offer substantial grounds for expecting unfavorable yields.

Official comments on crop conditions in Russia have been rather scarce, but an official report as of May 15 indicates that the condition of winter crops is "quite satisfactory", and in places "good", while estimates of spring crops range from "satisfactory" to "quite satisfactory". Winter rye is also said to have improved as a result of the abundant rainfall during the latter part of April and the first part of May. The report is not very complete, but from its general tone one suspicions that crop conditions are nowhere much in excess of average, and that, for the most part, below average conditions prevail.

Danube Basin

Reports regarding the abandonment of winter wheat now indicate that practically the entire planted area will be harvested. Some hail, flood, and insect damage is reported, but the acreage abandoned as a result of these misfortunes is believed to be below normal.

Spring wheat seedings were delayed as a result of unfavorable weather at planting time, and reports indicate that the area planted will be somewhat below the acreage of 1932 when the area sown in Danube countries totaled about 760,000 acres.

Temperatures during the second half of April throughout the Danube Basin were much below normal. Rainfall was very abundant, and winter wheat made fair

progress, but spring wheat was unable to begin its normal growth. During the first week of May, the weather was mild, and the wheat developed rapidly, but after May 7, heavy rainfall and low temperatures recurred, and growth was again delayed. On May 22 the winter wheat crop still had a condition of good to very good, but was about 2 weeks behind its normal growth. The spring wheat crop was also delayed, and had a condition of only fair. The abundance of rain in April and May gives a good outlook for favorable yields of both winter and spring wheat, but warm sunshiny weather is badly needed.

Turkey

All available information now indicates that the area planted for harvest in 1933 amounts to about 8,400,000 acres which is practically equal to the area sown for harvest in 1932 officially estimated at about 8,555,000 acres, and materially above the average plantings for 1926 to 1930 of approximately 6,662,000 acres.

A report from the Turkish Ministry of Agriculture as of April 1, giving conditions by districts indicates that the crop was in good condition, but was about 2 weeks behind its normal growth. Spring weather had been unusually cold and there had been but little spring growth up to that date.

Prices, Movements and Markets

Continental Europe

Continental import business in May was somewhat larger than during the previous month, being stimulated by overseas price and market developments. At times the trading was quite active, but consisted largely of Manitobas and Argentine wheat, mostly for Holland, Belgium and Czechoslovakia. Statements regarding shipments of Argentine wheat to the Black Sea for Russian account, which appeared early in May, were later denied. The movement of foreign wheat prices in the continental import markets was largely coincident with overseas developments, except that the movements in the case of the former were much more conservative. A temporary exception occurred in the case of Rotterdam, where prices at one time showed unusual strength as a result of rumors regarding the depreciation of the Dutch currency. The movement of domestic wheat prices on continental deficit markets was much more conservative than in the case of foreign wheats, and France even experienced a renewed decline in wheat prices as a result of the fulfillment of the government quota on wheat storage.

Shipments of wheat and wheat flour to Europe and to the Continent in particular showed some increase during recent weeks. The rise is due to a considerable increase in shipments from the United States and Canada through Atlantic ports, a movement which set in at the beginning of May. Since the first of the season, however, shipments to the Continent are only two-thirds of what they were for the same period a year ago, and in the case of shipments to Europe the situation is similar though not quite so unfavorable. In recent weeks shipments from the Danubian countries and from Russia have been practically nil.

Shipments of grain through South-Russian ports have come to a complete standstill, with no grain exported during the past 4 weeks. On the contrary, reports have been published in the foreign press, according to which the Soviet Government has purchased both Canadian and Argentine wheat for shipment to Russia, but the official Soviet paper "Pravda" has recently denied these reports.

Uncertainty as to the future organization of the grain market has caused both mills and the grain trade in Germany to take a waiting attitude, and this

tendency was further strengthened by the recent prohibition of trading in new crop grain anywhere, but the matter of future trading will probably be decided in the near future. Offers of farmers remained rather small during the first 3 weeks of May, which helped to support prices and gave a general firmness to the market. Somewhat larger offers during the fourth week of the month caused a recession in prices.

Except for a few spasmodic revivals, the flour business continued unsatisfactory during most of May, and hand-to-mouth buying practices prevailed. Several reports pointed out a tendency on the part of the flour mills to cover their wheat requirements in provincial markets.

The French wheat markets were generally dull throughout the month of May, with domestic offers frequently exceeding demand. The flour mills continued a hand-to-mouth buying policy and complaints of unsatisfactory bread consumption were again numerous, As a result, prices, which had improved somewhat toward the end of April and the first week of May, again weakened and have since continued to decline. Official quotations showed that prices during the fourth week of May were almost down to the low levels of the first half of April. According to trade reports actual business was at times completed at prices below even the official quotations.

Business in foreign wheat continued very restricted, with the little interest exhibited confined to Manitobas. However, a firmer tendency for North African durum wheat was noticed around the middle of May, due to small offers.

The upward movement in overseas wheat prices during May was reflected in the import markets of Holland and Belgium where the turnover for both domestic and other continental accounts reached a considerable volume. During the first part of the month there was considerable activity in both Manitobas and Plates, a substantial portion of which was for the account of Czechoslovakia. During the latter half of the month, substantial quantities of Manitoba wheat were taken by the Dutch and Belgian markets.

As a result of the increased speculative activity a great improvement in the business on the Rotterdam futures market occurred during the first half of May. It might be noted that Rotterdam is now the only grain futures market of the world where prices are still quoted in gold currency.

Offers of domestic wheat in Czechoslovakia continued small throughout the month, and there was a good demand for all lots appearing on the market. This brought about a firm tone, and prices, after increasing early in the month, remained steady. Stocks of domestic wheat are now believed to be quite low. There was, at times, a lively demand for foreign wheat, and some business was effected, largely through other continental markets. An increased importation of foreign wheat through the Free Port of Danzig was also reported, as a result of the favorable transportation costs, which have recently been reduced.

Danube Basin

The volume of sales on Danube Basin markets during May was low as a result of curtailed deliveries caused by bad roads and delayed spring work, small purchases for home consumption, limited export possibilities, and the relative inactivity on world markets.

Bulgaria was the only country in which there was an increase in activity over preceding months.

In Hungary, limited export possibilities, small home demand, and dull world market brought about price decreases, and curtailed deliveries.

Small deliveries resulted in somewhat better prices in Rumania and Yugoslavia. The export trade from these two countries remained at a standstill.

There was an increase in the volume of export from Bulgaria during May. Several important shipments were sent to western Europe. The quality of the 1932 crop in Bulgaria was better than in other Danube countries, and there are still important stocks of good wheat on farms. It is expected that May and June exports will be much above the totals for past months.

Exports from Hungary during May also showed an important increase. The Hungarian Ministry of Agriculture issued permits for the export of 367,000 bushels of wheat to Austria. Some Hungarian wheat was sent to Czechoslovakia on a compensation basis.

It is reported by the Hungarian Export Institute that there are still important quantities of wheat on large estates, which are being held in expectation of higher prices. Most of this, however, is soft wheat for which there is little demand from abroad, and it is believed that a large part of it will be carried over.

In Rumania, excessively high internal prices still exclude the possibility of export in volume. Small surpluses are reported to be in the hands of large estate owners, but it is believed that most of this will be held over into the 1933-34 season.

In Yugoslavia, the Privileged Export Company (the only agency that can legally export wheat or flour from the country) did not export any wheat during May and it is reported that the Company does not expect to renew exports until after the 1933 crop has begun to arrive on markets. Reports from important producing regions are to the effect that there are relatively important quantities of low grade wheat still on farms.

Durum Wheat Prospects

New Crop Prospects

Present prospects are for a reduction in the domestic durum crop below the 40,813,000 bushels harvested in 1932. The condition of the growing crop of 84.5 percent on June 1 was about equal to the condition of 84.7 reported a year earlie and acreage intended for harvest in four states was 23 percent below the acreage harvested in 1932.

While few definite reports have been received on the probable size of the durum crop in foreign countries there are several indications that the crop in important foreign countries other than Russia may be smaller than last year.

In Manitoba, the only Canadian province where durum is grown in significant quantities, total intended wheat acreage this year was 8 percent less than the 1932 acreage, and there seems to have been less incentive than last year to seed durum. The price of No. 3 Durum from January through April averaged only 3 cents above the corresponding grade of Canadian Northern whereas a year ago it averaged 12 cents above in the same period.

In Italy a durum crop not far different from the 59,920,000 bushel crop of 1932 is expected according to Assistant Agricultural Commissioner Mallory. Total wheat acreage in many of the important durum growing areas is slightly larger than last year, suggesting an increase of about 2 percent in durum area but Mr. Mallory states that the market situation has been such as to discourage durum sowings. Growing conditions in the durum regions have been favorable and yields are expected to be not far from the above average yields of 1932.

North African durum production is placed according to official reports and forecasts by Mr. Mallory at about 44,000,000 bushels, about 16 percent less than the average sized 1932 crop of 52,406,000 bushels. Prospects in North Africa were hurt by hot winds early in May and drought later. Durum production in Algeria is officially reported at 19,254,000 bushels compared with 20,873,000 last year. Mr. Mallory expects a slightly smaller crop in Morocco this year than last, and a crop in Tunis only little more than half as large as last year's.

There is little indication of durum conditions in Russia, which has been an important competitor in the Italian durum market the past 3 years. Total spring sowings of all grains in the regions where durum is grown have been less up to June 1 than in that period in 1932, an increase in sowings in the Ukraine being more than offset by decreases in the other regions. But it is not known how much of the sowing is wheat, let alone how much is durum wheat.

Distribution of old Crop Durum

Known figures on grindings and exports of durum wheat this season to date have been smaller than in the same period last year, and indications available do not point to any increased use for other purposes, so there is prospect of a larger carry-over than the small amount carried into the current marketing year.

Durum ground in the first 6 months of the current season was only 6,109,000 bushels compared with 7,346,000 in that period of 1931-32, and it seems probable that grindings this half year will also be below those of the corresponding season a year ago. Grindings the second half of the marketing year have always been less than in the first half in each of the past 8 years, ranging from 28 percent less to only 2.5 percent less. Grindings in the current half year would have to be almost a record percentage of those of the first half to equal the grindings of the second half of 1931-32.

Exports of durum grain from July 1 through April are estimated to be only 1,800,000 bushels compared with 4,100,000 bushels in that period of 1931-32.

Total receipts from July 1, 1932 through May 1933 plus stocks as of July 1, 1932, at Minneapolis and Duluth, the two important durum markets, have reached 24,688,000 bushels compared with 27,336,000 in that period of 1931-32, but elevator stocks in those markets as of about June 1, 1933 were only 3,341,000 bushels compared with 7,442,000 bushels a year earlier. Thus there appears to have been a slightly greater movement of durum into consuming channels this year than last, with the increase going into other channels than exports or grindings. The indicated increase in disappearance is slight in comparison with the 25,461,000 bushel increase in production in 1932, and suggests a material increase in farm carry-over unless there has been an appreciable increase in the farm use or farm mixing of durum wheat. While such figures are not a complete picture of the movement of the crop, they should give an approximate indication of the situation.

Canadian durum stocks at Fort William - Port Arthur were 2,028,000 bushels on June 9 compared with only 276,000 bushels on June 10, 1932. Total elevator stocks of durum in Canada on May 26, 1933 were 3,171,000 bushels. No comparison is available for last year.

There has been a notable reduction the past 2 seasons in imports of durum by Italy, which country had been the most important single foreign market for our surplus supply. Part of the reduction in Italian imports has been due to an increase in durum production in Italy since the year of domestic shortage in 1930-31. Imports from North America have been further reduced by competition of durum from Russia. In 1931-32 imports from Russia were greater than the total imports from the United States and Canada and in the first 8 months of the current season imports from Russia were half as great as the total from the United States and Canada.

France took less durum from North America in the first 8 months of the current season than in that period of 1931-32, and more from North Africa this season than last.

Table 6.- Italy: Imports of durum wheat by countries, annual 1929-30 to 1931-32, July-February 1931-32 and 1932-33

Country from which imported	Year beginning July 1			July - Feb.	
	1929-30	1930-31	1931-32	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 1/	3,099	3,454	848	358	776
Canada 1/	11,227	13,476	3,356	1,859	1,311
Russia	818	6,666	4,808	2,187	1,038
Argentina	441	592	509	131	67
Other countries	509	209	327	149	43
Total	16,094	24,397	9,848	4,684	3,235

Compiled from Statistica del Commercio de Importazione e di Esportazione.

1/ Some United States durum is exported through Canada, thus amounts listed here as coming from Canada probably include more or less United States grain.

Table 7.-France: Imports of durum wheat, by countries, commerce special, 1/ annual 1929-30 to 1931-32, and July-February 1931-32 and 1932-33

Country from which imported	Year beginning July 1			July - Feb.	
	1929-30	1930-31	1931-32	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 2/	536	934	351	259	839
Canada 2/	531	2,541	2,353	1,802	978
Soviet Russia	30	47	3/	3/	3/
Argentina	3/	3/	136	68	154
Belgium	3/	3/	5	5	1
Algeria	3,649	4,603	3,163	1,856	3,187
Tunis	3,848	2,035	3,747	2,808	3,382
Morocco	347	130	1,617	1,064	475
Other countries	19	361	684	283	186
Total	8,960	10,701	12,056	8,145	9,202

Compiled from Statistique Mensuelle du Commerce Exterieur de la France.

1/ Figures for commerce general have not been reported in the French statistics by months since December 1932.

2/ Some United States durum is exported through Canada, thus amounts listed here as coming from Canada probably include more or less United States grain.

3/ If any, included in other countries.

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WORLD WHEAT PROSPECTS

Summary

The total wheat production for the world, esclusive of Russia and China, will be well below that of last year, according to the Bureau of Agricultural Economics of the United States Department of Agriculture. The reduction of the world crop is due primarily to the reduced crop of the United States, for the combined production of all other countries, excluding Russia and China, seems likely not to be greatly different from what it was during the 1932-33 season. It is expected, however, that Russia may harvest a somewhat larger crop than last year's. The carry-over in the principal exporting countries is somewhat larger than that of a year ago.

With the United States crop evidently reduced to well below domestic utilization, unusual interest centers on the outcome of the Canadian crop which has entered the critical period of July under rather adverse conditions. The outturn of the Canadian crop still hangs in the balance, but present indications suggest that the crop is likely to be between 350,000,000 and 400,000,000 bushels.

The European crop is now indicated to be about the same as last year with production in the lower Danube countries about 100,000,000 bushels larger, and in the importing countries about 100,000,000 bushels smaller. In northern Africa, the crop is reported to be about 25,000,000 bushels smaller than last year while the three countries of Asia for which estimates are available (India, Japan, and Turkey) are indicated to have about

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The reports of the foreign offices have not been quoted at length but have been made the basis of, or largely used in, presenting the foreign situation.

50,000,000 bushels more than in 1932. Total production in the Northern Hemisphere excluding Russia and China will apparently be somewhere in the vicinity of 3,000,000,000 bushels compared with 3,248,000,000 last year and 3,316,000,000 in 1931-32. Information on the Russian crop is inconclusive, but a crop larger than the small one of last year is to be expected.

Yields in the Southern Hemisphere where the crop will not be harvested for nearly 6 months are, of course, undetermined, but with average yields, production will be less than last year. The Australian area is officially reported to be 2 percent less than last year, though some observers indicate that there has been a greater reduction. In Argentina, where no official estimate is yet available, some trade reports indicate an increase in area while other observers believe that there will be no material change. Assuming, then, that the Australian area will be as officially reported, and that the sown area in Argentina will be 20,000,000 acres, or slightly above that of last year, average yields would result in a total crop for the two countries of about 425,000,000 bushels. This compares with an estimated total of 451,000,000 bushels in 1932-33.

Tentative estimates of the July 1 carry-over in four principal exporting countries, together with United Kingdom port stocks and quantities afloat total 35,000,000 bushels larger than a year ago. No comprehensive figures for continental European stocks are available, but indications are that the carry-over in the importing countries is larger than it was last year, while that of the exporting countries of the Danube Basin is smaller.

Crop Conditions

United States

In the United States unfavorable weather during the latter part of June resulted in drastically reducing the prospective yields of spring wheat. Since previous reports of the small crop of winter wheat have been confirmed, present indications are that the total crop will be more than 100,000,000 bushels less than domestic utilization.

Based on condition as of July 1, the total wheat production of the United States is officially placed at 495,681,000 bushels compared with 726,283,000 bushels in 1932 and an average of 861,000,000 bushels for the 5 years 1926 to 1930.

The indicated production of 335,767,000 bushels of winter wheat is only slightly below that indicated a month ago, but is 126,000,000 bushels less than the 1932 production and 254,000,000 bushels less than the 5-year average. Yields are generally average or better in most of the soft winter wheat territory but low yields and heavy loss of acreage are the rule in the hard winter wheat and Pacific Coast regions.

Acreage for harvest of spring wheat other than durum is estimated at 15,577,000 acres, a decrease of 11.8 percent from that harvested last year and about 2 percent below the 5-year average. Sharp decreases in acreage are shown in the principal spring wheat territory, due largely to abandonment before July 1. The estimates of acreage for harvest relate to acreage standing on July 1. Material increases in spring wheat acreage are shown in the Pacific Northwest where abandoned winter wheat acreage was re-sown to spring wheat.

July 1 condition of spring wheat other than durum is reported at 53.5 percent of normal as compared with 84.2 percent on July 1 last year. This indicates a production of 142,338,000 bushels which is 82,398,000 bushels less than last year's production and 63,285,000 bushels less than the 5-year average (1926-1930). Prospective yields are below average in practically all sections of the country.

Durum wheat acreage, estimated at 2,500,000 acres, is only 64.7 percent of last year. There was some decrease in the sown acreage and a considerable part of the sown acreage was abandoned before July 1. The July 1 condition of 42.8 percent of normal indicates a production of only 17,576,000 bushels.

Regional differences in production, together with the export situation, are resulting in an especially marked scarcity of new crop wheat east of the Rockies and an abundance in the Pacific Northwest. If the total wheat production of the United States is divided into that of the Pacific and Intermountain States (Washington, Oregon, California, Idaho, Nevada, Utah, and Arizona), as compared with the remainder of the United States the following results are obtained:

	Pacific and Intermountain States 1,000 bushels	Remainder of United States 1,000 bushels
1930	111,831	747,080
1931	87,839	812,380
1932	112,695	613,588
1933	91,759	403,922

Most of the 600,000,000 to 625,000,000 bushels of wheat which the United States is likely to use during the 1933-34 crop year will be used east of the Rockies, the annual utilization in the Pacific and Intermountain States ordinarily amounting to only about 75,000,000 bushels yearly. From this it is evident that stocks of wheat east of the Rockies may be expected to be very much reduced at the end of the year unless price relationships are such as to allow large shipments to the East from the Pacific region.

Since most of the white wheat of the country is grown in the Pacific and Intermountain States, the crop of this class is not especially small. Indicated 1933 production by classes together with corresponding figures for 1932 and averages of the past 4 years are as follows:

	Average 1929 to 1932	1932	1933
	Million bushels	Million bushels	Million bushels
Hard red spring	141	188	93
Durum	44	41	19
Hard red winter	374	265	160
Soft red winter	185	148	143
White	81	86	80

White wheat is the only class for which production this year is greater than the average consumption of recent years. There is a great deal of substitution of one class of wheat for another, depending upon their relative supplies. However, a normal utilization in years when feeding is at a minimum and supplies of hard red spring and soft red winter are not short, amounts to about 150,000,000 bushels of hard red spring, 30,000,000 of durum, 200,000,000 of hard red winter, 175,000,000 of soft red winter, and 45,000,000 bushels of white wheat. Average consumption of each class except hard red spring is higher than these figures because of feeding. This is especially true of hard red winter, white and durum wheats, and feeding has been especially heavy in the past 3 years. Preliminary indications are large in the case of hard red winter, hard red spring, and white wheats, while durum and soft red winter stocks are relatively small.

Canada

Hot dry weather during the latter part of June seriously damaged the Canadian crop in many parts of the Prairie Provinces. About the end of June there were fairly general rains which broke the drought but it is reported that while they served to stop further deterioration, no general improvement in prospects for the crop resulted. Altogether, in view of the reported condition of the Canadian crop and the weather situation to date, it seems likely that the total harvest will be between 350,000,000 and 400,000,000 bushels compared with the present estimate of 429,000,000 bushels for the 1932 harvest. Official Dominion reports concerning the disposition of the crop indicate that some upward revision in last year's estimates may be necessary however.

The Dominion official report places the condition of the crop as of June 30 at 77 percent. A yield of 77 percent of the long-time average, or of 13.2 bushels per acre, would give a total harvest of only 339,000,000 bushels on the area indicated by intentions-to-plant. Since the development of the crop during July is especially important, however, June 30 conditions must not be considered an accurate indication of the yield.

Correlation between wheat yields and weather at typical stations in the Wheat Belt suggests a considerably larger harvest than does the application of the 77 percent condition to the long-time average yield. The weather through June indicates that a harvest of between 375,000,000 and 425,000,000 bushels is likely. In view of these somewhat contradictory items of evidence, it seems most reasonable to expect a crop of between 350,000,000 and 400,000,000 bushels.

Other countries

The European wheat crop, aside from Russia, is expected to be nearly equal to the record harvest of last season. An increase of nearly 100,000,000 bushels is expected in the four Danubian countries but this increase is offset by the decreases expected in France, Italy, and Spain. Early season crop prospects were generally favorable, but prolonged dryness and cold weather in many countries have resulted in deterioration.

Reports from Russia are variable. A decrease of about 4,000,000 acres was reported in the winter wheat area while the plan called for an increase of about 1,000,000 acres in the spring wheat area. According to data published on the sowings of all spring crops, progress was more rapid than in 1932 or in 1931. Generally favorable weather conditions have been reported and yields may exceed those of last year which are believed to have been below average.

Production in the four North African countries is forecast at 105,000,000 bushels compared with 127,000,000 bushels harvested last year. Conditions early in the season had indicated larger crops in these countries but hot winds and drought reduced prospects materially.

Production in India is officially estimated to be about 10,000,000 bushels above last year, and in Japan about 9,000,000 bushels larger. Unofficial reports for Turkey show estimates of the production there to be about the same as in 1931 when 102,000,000 bushels were harvested as compared with 69,000,000 bushels in 1932.

Although it is still early to make any definite forecast of the Southern Hemisphere crops, reports of reduced seedings and unfavorable weather conditions indicate a smaller harvest in Australia. In Argentina, however, conditions have been more favorable. No official estimate of the area sown is available but no significant change from last year is expected.

Table 1.-Wheat: Production in specified countries, 1929-30 to 1933-34

Country	1929-30	1930-31	1931-32	1932-33	1933-34, preliminary forecast July 1
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	812,573	858,911	900,219	726,283	495,681
Canada	304,520	420,672	321,325	428,514	1/ 375,000
Mexico	11,333	11,446	16,226	9,658	11,753
Total	1,128,426	1,291,029	1,237,770	1,164,455	882,434
Europe					
England and Wales	47,451	39,960	35,896	41,238	2/ 50,000
Scotland	2,165	2,128	1,792	2,240	2/ 2,300
Northern Ireland	142	171	106	121	2/ 130
Irish Free State	1,184	1,092	781	831	2/ 1,000
Norway	750	720	592	785	3/ 690
Sweden	19,011	20,819	17,053	26,500	3/ 22,300
Denmark	11,772	10,216	10,053	10,656	3/ 9,900
Netherlands	5,467	6,056	6,751	13,694	14,183
Belgium	13,225	13,236	13,817	15,376	3/ 13,800
France	337,252	228,105	264,117	331,359	3/ 287,000
Spain	154,345	146,700	134,427	184,209	128,600
Luxemburg	275	442	406	496	2/ 450
Portugal	10,656	13,817	12,999	18,157	12,860
Italy	260,125	210,071	244,784	276,128	3/ 251,000
Switzerland	4,207	3,605	4,045	4,182	2/ 4,000
Germany	123,062	139,217	155,546	183,830	185,995
Austria	11,559	12,008	11,009	13,007	3/ 12,900
Czechoslovakia	52,902	50,606	41,232	53,737	3/ 55,600
Greece	11,434	9,709	11,228	16,961	4/ 20,600
Poland	65,862	82,321	83,220	49,472	3/ 72,800
Lithuania	9,329	11,327	8,335	9,359	3/ 8,700
Latvia	2,356	4,062	3,388	5,238	3/ 4,700
Estonia	1,260	1,635	1,738	2,087	3/ 1,900
Finland	765	866	1,121	1,260	1,506
Malta	293	303	277	301	2/ 300
Total	1,146,709	1,009,192	1,064,693	1,261,234	1,163,214
Bulgaria	33,195	57,317	63,831	50,553	52,139
Hungary	74,985	84,339	72,550	64,463	75,287
Rumania	99,753	130,771	135,300	55,536	
Yugoslavia	94,999	80,326	98,789	53,444	
Total	302,932	352,753	370,470	223,996	4/ 317,800
Total Europe	1,449,641	1,361,945	1,435,163	1,485,230	1,481,014
Africa					
Algeria	33,307	32,442	25,649	29,237	28,109
Morocco	31,764	21,302	29,783	27,970	25,720
Tunis	12,309	10,398	13,965	17,453	11,574
Egypt	45,228	39,753	46,073	52,586	39,940
Total	122,608	103,895	115,468	127,246	105,343

Continued -

Table 1.-Wheat: Production in specified countries, 1929-30 to 1933-34 - Cont'd

Country	1929-30	1930-31	1931-32	1932-33	1933-34, preliminary forecast July 1
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Asia					
India	320,768	390,843	347,424	336,971	347,163
Japan	30,496	29,537	30,892	31,536	40,472
Turkey	99,900	91,322	102,426	69,344	4/ 102,880
Total	451,164	511,702	480,742	437,651	490,515
Total, 39 countries	3,151,639	3,268,571	3,269,143	3,214,582	2,959,306
Estimated Northern Hemisphere total, excluding Russia and China	3,194,000	3,312,000	3,316,000	3,248,000	

Compiled from official sources except as otherwise noted.
1/ Based on weather conditions. 2/ Unofficial. 3/ Estimated in the Berlin office of the Bureau of Agricultural Economics. 4/ Estimated in the Belgrade office of the Bureau of Agricultural Economics.

The Carry-over

The United States carry-over on July 1 is indicated to be somewhat smaller than last year. If one were to judge only from the indicated disposition of total supplies available for the year it would be indicated to be about the same as a year ago but stocks thus far reported suggest a reduction. Last year's carry-over, as revised due to the revision of farm stocks, amounted to 381,000,000 bushels. However, both farm stocks and "commercial stocks" are lower than a year ago. Carry-over data for 1932 and corresponding figures as far as now available for this year are as follows:

	1932 1,000 bush.	1933 1,000 bush.
On farms	90,284	79,605
Commercial stocks	168,405	123,596
Sub-total	258,689	203,201
Interior elevators - mills	41,817	
Merchant mills	70,582	
In transit to mills	9,929	
Total	381,017	

The marked reduction of stocks in the position for which data are thus far available suggests that the total carry-over may be somewhat smaller than last year even though there should be some increase in interior elevator and mill stocks.

Remaining supplies available for export or carry-over in the United States, Canada, Argentina and Australia, together with United Kingdom port stocks and quantities afloat are indicated to be somewhat larger than a year

ago. Each of these exporting countries other than the United States is indicated to have larger stocks than last year. The largest increase is indicated in the case of Canada, in which country stocks are believed to be about 50,000,000 bushels larger. Altogether the stocks as of July 1, of the above mentioned countries is now indicated to be about 40,000,000 bushels larger than on July 1, 1932. Detailed figures for the past 10 years are as follows:

Table 2.-Wheat: Carry-over 1/ July 1, 1924 - July 1, 1933

Position	1924	1925	1926	1927	1928	1929	1930	1931	1932 prel.	1933 prel.
	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.
United States:										
Domestic	143	115	98	122	128	248	291	319	381	2/(365)
Canadian wheat in:										
United States ..	4	3	6	7	11	23	16	6	5	4
Canada:										
Domestic	60	42	55	56	114	125	134	148	3/153	2/(200)
United States wheat in Canada	4/	5	1	1	3	3	5	15	16	4
Argentina	55	48	52	59	78	124	39	57	39	59
Australia	23	20	16	32	31	34	42	61	47	56
United Kingdom port stocks	8	9	4	3	11	8	6	6	11	12
Afloat to United Kingdom	18	13	16	14	12	8	11	19	16	15
Afloat to Continent	18	13	22	21	22	31	17	18	19	8
Afloat to orders ..	18	16	11	16	16	14	10	13	10	8
Total	347	282	281	333	426	618	571	662	697	2/(736)

Compiled as follows:
United States; stocks on farms, stocks in country mills and elevators, commercial stocks, stocks in merchant mills and elevators, in transit to merchant mills and elevators, and stocks stored for others by merchant mills, 1930-1932.
Canada; 1924-1932 carry-over July 31, plus net exports during July. 1933 carry-over July 31 plus production less domestic utilization and net exports August 1 - June 30.
Argentina; 1924-1932 carry-over on December 31 plus exports July 1 to December 31.
Australia; 1924 carry-over on December 31 plus exports July 1 to December 31. 1925-1932 carry-over December 1 plus exports July 1 to November 30.
Data for Australia and Argentina in 1933 computed from the estimate of the production plus carry-over of old crop, less home consumption (12 months) and exports January 1 - June 30.

1/ Represents as nearly as possible total stocks of old crop wheat minus domestic requirements for the remainder of each country's crop year; i.e., minus requirements for July in case of Canada and July-December in case of Argentina and July-November in case of Australia.
2/ Figures in parenthesis are rough estimates.
3/ Includes 1,000,000 bushels afloat for United States ports.
4/ Less than 500,000 bushels.

Wheat Prices

Wheat prices in the United States on July 13 had risen by more than 30 cents per bushel from the levels prevailing during May and early June. The rise was due largely to unfavorable weather for the spring wheat crops of the United States and Canada, together with a further depreciation of the dollar, confirmation of a small winter wheat crop and damage to other grain crops. The United States wheat crop is now indicated to be less than 500,000,000 bushels which is under probable domestic consumption by fully 100,000,000 bushels. At Liverpool, prices had on July 13 risen above their May level by about 20 cents per bushel in terms of the American dollar, but in terms of British currency and gold the rise was less than half that amount.

On July 13, July futures at Chicago closed at 105-1/8 cents per bushel compared with 74-1/2 cents on June 15 and 73-3/4 cents on May 15. Cash prices of wheat at the principal United States markets showed relatively little change during May and the first 3 weeks of June, but rose rapidly in late June and early July. The weighted average price of all classes and grades at six markets which reached 74.5 cents for the week ended May 6, declined to 71.4 cents 3 weeks later and then in the next 3 weeks rose to 74.2 cents which was the average for the week ended June 17. The rapid rise which followed brought the all classes and grades average up to 99.2 cents for the week ended July 8.

Prices of wheat have also risen in the other markets of the world. July futures at Liverpool rose from a level of around 60 cents per bushel during May and early June to 81-1/2 cents on July 11. This rise (in terms of the current value of United States money) was due partly to depreciation of the dollar since the gold value of British money has not changed greatly. During May and early June the British pound was worth about $4.00 whereas on July 11 it was worth about $4.75. Nevertheless Liverpool prices have also risen in terms of British money. From a level of about 5 shillings per 100 pounds in May and early June they rose to 5 shillings 8-3/8 pence on July 11. In terms of United States money at the par of exchange the rise was from about 75 cents to 84 cents per bushel. During February, March and April, near futures at Liverpool averaged about 68 cents per bushel when converted at the par of exchange.

The rise of prices in the United States during late June and early July was due quite largely to unfavorable conditions in the spring wheat areas of the United States and Canada. Further declines in the value of the dollar and tentative plans for the reduction of wheat acreage and exports by the principal exporting countries and weather damage to other grain crops have also played a part. Hot, dry, weather during the last half of June damaged the wheat crop throughout the greater part of the spring wheat area in the United States and in much of Canada. Based on July 1 conditions the total United States wheat crop is placed at 496,000,000 bushels compared with 726,000,000 last year and 900,000,000 bushels in 1931. The June 30 condition of the Canadian crop is officially reported to be 77 percent of the long-time average. Crop reports and rainfall and temperature reports now suggest a total Canadian crop of between 350,000,000 and 400,000,000 bushels, compared with 429,000,000 last year and 321,000,000 in 1931.

United States wheat prices continue to be far above an export basis. On July 13 December futures at Chicago closed at 110-1/8 cents compared with 87 cents per bushel (at current exchange rates) for the corresponding future at

Liverpool. Thus United States prices were about 35 cents per bushel above the level at which exports to Europe could be made freely. Due to the fact that the United States production is much below domestic utilization this year, it is not likely that any material amount of domestically produced wheat will be exported unless world prices rise markedly.

Table 3.-Wheat: Price per bushel at specified markets, May 6, - July 8, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
May 6	70.9	76.2	51.9	43.5	61.2	56.1	147	127	165
13	71.6	76.1	53.1	45.8	61.8	59.2	148	125	165
20	70.6	75.5	53.0	44.9	62.0	60.2	145	122	156
27	67.6	74.1	52.2	44.0	57.1	62.1	145	118	146
June 3	69.5	76.6	54.3	45.4	61.6	66.0	146	122	148
10	71.0	76.7	53.8	45.1	61.5	69.1	147	116	153
17	71.7	77.1	54.9	46.5	61.9	70.4	150	112	---
24	74.7	80.5	57.8	47.6	62.1	72.0	149	124	155
July 1	91.4	97.4	64.0	50.9			156	159	163
8	98.2	104.7	70.8				167	166	

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales. 7/ Domestic.

Table 4.- Wheat: Closing prices of September futures 1/

Date	Chicago		Kansas City		Minneapolis		Winnipeg 2/		Liverpool 2/		Buenos Aires 3/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 17) 4/	63	79	58	74	64	76	61	61	64	65	5/51	5/49
June 16) 4/	51	64	44	58	52	61	49	47	53	52	5/45	5/46
17	50	76	43	70	51	74	48	60	52	64	5/45	5/48
24	51	85	44	82	51	83	49	65	53	68	5/47	5/52
July 1	50	97	44	93	50	94	49	69	52	72	5/45	5/55
8	51	102	44	96	49	100	50	81	53	81	5/46	5/62

1/ October futures for Winnipeg and Liverpool.
2/ Conversions at noon buying rate of exchange.
3/ Prices are of day previous to other prices.
4/ High and low for period (April 17 - June 16, 1933) (April 18 -June 17, 1932)
5/ August futures

Table 5.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.H.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No.2 Red Winter St. Louis		Western White Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 22) 2/	64	74	57	72	74	77	73	78	58	82	58	64
June 10) 2/	57	67	43	63	65	69	56	68	50	71	56	56
17	54	74	46	72	63	77	57	70	49	75	54	60
24	49	77	43	75	61	81	55	73	47	77	54	62
July 1	49	93	43	91	62	97	55	91	47	93	53	73
8	47	99	45	98	65	105	54	103	48	99	52	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (April 22 - June 10, 1932 and 1933)

Continental Europe

Continental wheat markets during most of June were only slightly affected by developments on North American markets, though a slight pick-up in business occurred in some import countries. Trade in actual wheat was quiet, but a significant business was at times transacted on the Rotterdam futures market, due to fears regarding the currencies of the gold standard countries. Wheat prices on the Rotterdam futures market, expressed in gold, showed little change until June 24, when they rose sharply in sympathy with North American prices.

The European trade attributes the rise in North American prices to the expectation of a poor winter wheat crop in the United States, and a probable acreage reduction in Canada, though the threat of inflation is also recognized to have played a significant part. Continental markets, however, have been largely influenced by the favorable early season crop prospects on the Continent and by economic conditions which favor hand-to-mouth buying. Around the middle of June the trade was also skeptical regarding the outcome of the London wheat conference. Prices on the Continent, therefore, showed a declining tendency during most of June, but French prices strengthened toward the end of the month as a result of proposed price-fixing legislation.

The French wheat market during the first half of June was quiet and prices were weak. Toward the middle of June the North African crop began moving to market and it soon became apparent that the crop was much shorter than that of last year, consequently prices strengthened. Toward the end of the month and during the first part of July prices advanced rapidly because of the price supporting law which was passed by the French Government. This law provided in part for price guarantees to farmers the use of a part of the domestic crop for feed and to stimulate exports by means of bounties, et cetera.

Prices of domestic wheat in Berlin declined steadily during June largely as a result of the attempt on the part of the trade to utilize relatively heavy stocks of old wheat before the new crop became available. In attempt to get rid of stocks of old wheat large quantities were cosinized and used for feed for livestock during June. Trade reports indicate that as a result of this increased feeding the carry-over of wheat in Germany may not be as large as previously expected.

The continental European wheat stocks situation, as indicated by available figures and reports on the movement of grain, shows little change from last month. Stocks of domestic wheat in France continue high, and first-hand domestic supplies in Germany are also considerably higher than at this time in previous years, but second-hand stocks are somewhat lower. Stocks of wheat on hand for use in Swedish mills at the end of May were also considerably higher than either 1 year or 2 years ago.

Port stocks in 12 important European ports around the middle of June were about the same as around the end of May, but approximately 15 percent higher than on May 15, and considerably above this time last year.

World shipments of wheat and wheat flour to all Europe in May have increased considerably as compared with April, but continued far below the same period of any of the past several year. Shipments to Europe since the beginning

of the season (July 1) to the beginning of June were about the same as in 1929-30, but only three-quarters of the same period 1930-31 or 1931-32.

Still more unsatisfactory is the picture for shipments to the Continent alone. Shipments from July 1 to about June 1 this year were only roughly two-thirds of the same period last year, or 55 percent of the same period 1930-31.

The June volume of cash sales on Danube Basin markets was low, as a result of continued rainfalls, the fear of rust and heat damage to the new crop, small purchases for home consumption, and limited export possibilities.

The fear of rust and heat damage, coupled with small deliveries from farmers resulted in somewhat better prices on all Danube markets.

Prices for wheat on Turkish markets have tended to increase during the past month as a result of decreased supplies, and the fact that wheat placed on markets has been of higher quality than that marketed during the preceding month.

New arrivals on markets, and the volume of trading are about the same as for the preceding month. Stocks at commercial centers have continued their seasonal decline.

China

Latest reports indicate China winter wheat crop fully 10 percent larger this year compared with last year for both North China and Yangtze Valley. Quality of this year's wheat is considered superior to last year's low grade crop.

New wheat has been arriving at Shanghai in larger quantities than during the past few years. Shanghai mills expect to use larger quantities of Chinese wheat this year compared with last season. Prices being paid for new wheat in local currency are lowest in many years.

Carry-over at Shanghai July 1 about 100,000 long tons foreign wheat, largely Australian, no old Chinese wheat.

There is no interest in buying foreign wheat and very limited for flour due to high prices and plentiful supply in China. Wheat imports for new crop year will be significantly lower than for past 2 years.

Table 6.-Wheat, including flour: Net imports into European countries, years 1930-31, 1931-32, and July 1 to latest date 1932-33

Country	1930-31	1931-32	Prel. estimate 1932-33	Net imports reported July 1 to		1931-32	1932-33
	Million bushels	Million bushels	Million bushels			Million bushels	Million bushels
United Kingdom	221	245	210	Apr.	30	209	179
Italy	84	33	15-17	"	30	20	11
Belgium	45	48	40-44	"	30	38	34
France	45	81	11-15	"	30	60	35
Netherlands	35	31	26-28	"	30	26	23
Germany	30	22	6-7	"	30	13	4
Greece	24	24	18-20	Mar.	31	18	17
Irish Free State	19	20	19	Apr.	30	17	15
Switzerland	18	21	18-20	May	31	20	18
Austria	17	15	11-13	Apr.	30	12	10
Czechoslovakia	13	20	9-11	"	30	17	3
Denmark	11	17	12-13	May	31	16	11
Norway	8	9	7-8	Apr.	30	8	6
Finland	5	4	4-5	"	30	4	3
Sweden	5	7	4-4	May	31	5	4
Poland	1/ -4	1/ -3	0-0	"	31	1/ -3	1/ -1
Portugal	3	2	2-4	Mar.	31	2	2
Latvia	2	1	0-.7	"	31	1	2/
Estonia	1	1	0-.2	"	31	2/	2/
Spain	1/2/	2	6-7	Apr.	30	2/	8
Total	582	600				483	382

Division of Statistical and Historical Research.
Compiled from official sources.

1/ Net export.
2/ Less than 500,000 bushels.

Table 7.- Wheat including flour: Movement from principal exporting countries, 1929-30 to 1932-33

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1929-30	1930-31	1931-32	1930-31	1931-32	1932-33	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	153,245	131,475	135,797	119,619	127,711	39,505	May 31
Canada	184,213	287,365	199,563	244,375	181,136	247,893	" 31
Argentina	161,265	120,638	144,920	103,852	136,129	106,261	" 31
Australia	61,776	143,296	155,593	90,214	114,274	118,608	Mar.31
Russia	7,360	111,780	71,830	85,864	67,426	16,904	Dec.31
Hungary	31,415	16,425	18,064	8,191	11,565	3,916	Apr.30
Yugoslavia	23,593	5,332	15,369	5,174	12,894	1,152	Mar.31
Rumania	2,560	16,072	37,481	12,400	35,310	186	" .31
Bulgaria	96	3,041	11,795	1,606	8,593	2,256	Feb.28
British India(L&S)	6,798	10,197	1/ 2,913	8,807	1/ 2,483	1/ 720	Mar.31
Total	632,341	829,621	793,325	680,102	697,521	537,401	

	Shipments as given by current trade sources						
	Total		Weeks ended			July 1 to July 1	
	1930-31 (Rev.)	1931-32 (Prel.)	June 17	June 24	July 1	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	354,008	333,638	5,040	4,371	3,859	333,638	298,304
Canada, U.S. markets 3/	273,437	206,258	6,594	4,503	4,136	206,258	289,257
United States	134,700	135,804	242	257	179	135,304	40,828
Argentina	121,696	144,572	2,072	4,424	2,149	144,572	115,409
Australia	148,500	163,004	1,652	992	1,715	163,004	153,395
Russia 4/	92,784	71,664	0	0	0	71,364	17,408
Danube & Bulgaria 4/	15,176	39,280	0	0	0	39,280	1,704
British India	5/10,197	5/ 2,913	0	0	0	616	0
Total 6/	742,361	755,071	8,664	9,787	7,723	752,774	586,220
Total European shipments 2/	615,392	597,976	7,216	---	2,309	597,976	446,849
Total ex-European shipments 2/	176,360	194,464	2,024	---	1,505	194,464	161,544

Division of Statistical and Historical Research. Compiled from official and trade sources. 1/ Sea trade only, land trade not reported since September 1931. 2/ Broomhall's Corn Trade News. 3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster. 4/ Black Sea shipments only. 5/ Total exports as given by official sources. 6/ Total of trade figures includes North America as reported by Broomhall's.

Table 8.- United States: Imports and exports of wheat including flour, July to June, 1931-32 and 1932-33

Item	July 1, 1931 to June 30, 1932 (revised)	July 1, 1932 to June 30, 1933
	1,000 bushels	1,000 bushels
EXPORTS:		
Wheat	96,420	20,882
Flour in terms of wheat	38,204	19,722
Total	134,624	40,604
IMPORTS: (July - May)		
Wheat	12,009	8,722
Flour in terms of wheat	1	3
Total	12,010	8,725
NET EXPORTS:		
Wheat	84,411	12,160
Flour in terms of wheat	38,203	19,719
Total	122,614	31,879

Division of Statistical and Historical Research.
Compiled from official records, Bureau of Foreign and Domestic Commerce.

Table 9.- United States: Exports of wheat and wheat including flour, by weeks, 1931-32 and 1932-33

Date	Wheat		Wheat flour		Wheat including flour	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2 - Dec. 31	58,642	17,624	4,784	2,241	81,127	28,172
Jan. 7 - Jan. 28	4,040	1,100	607	209	6,893	2,082
Feb. 4 - Feb. 25	4,392	549	639	205	7,396	1,513
Mar. 4 - Apr. 1	5,661	275	496	259	7,992	1,492
Apr. 8 - Apr. 29	8,853	363	454	197	10,987	1,289
May 6 - June 3	8,206	17	262	222	9,437	1,060
Week ended						
June 10	2,248	4	27	81	2,375	385
17	1,358	4	36	52	1,527	248
24	583	3	61	54	870	257
July 1	1,798	0	73	38	2,141	179

Compiled from weekly report of Bureau of Foreign and Domestic Commerce.

Table 10.- Wheat including flour: Shipments from principal exporting regions, specified dates, 1931-32 and 1932-33

Date	Argentina		Australia		Danube		North America	
	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33	1931-32	1932-33
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 2-Dec. 31	40,560	23,292	53,304	45,212	31,760	1,616	174,288	178,640
Jan. 7-Jan. 28	12,276	12,228	21,648	22,308	2,336	0	20,560	20,200
Feb. 4-Feb. 25	17,612	17,392	19,804	26,832	664	0	21,096	16,768
Mar. 4-Apr. 1	29,056	19,032	21,280	28,252	1,120	32	24,928	22,216
Apr. 8-Apr. 29	19,408	15,400	13,992	11,196	1,104	0	27,360	14,552
May 6-June 3	16,892	16,220	23,376	13,996	1,392	56	39,872	27,672
Week ended								
June 10	3,644	3,200	3,224	1,340	240	0	7,334	4,986
17	2,072	2,072	2,408	1,552	104	0	7,760	5,040
24	2,000	4,424	1,840	992	320	0	5,312	4,371
July 1	1,052	2,149	2,128	1,715	240	0	4,928	3,859

Division of Statistical and Historical Research.
Compiled from official and trade sources.

Table 11.- Wheat including flour: Exports from principal exporting countries, April, May, and June 1932 and 1933

Country	Apr.		May		June	
	1932	1933	1932	1933	1932	1/ 1933
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	11,882	1,751	8,831	1,523	8,086	1,069
Canada	8,663	5,515	17,621	24,008	18,426	20,556
Argentina	22,056	15,616	12,248	14,291	8,919	11,845
British India 2/....	142	1/ 0	150	1/ 0	138	0
Australia	15,647	1/ 11,196	17,791	1/ 13,996	11,176	5,599
Russia	349	1/ 36	133	1/ 0	28	0
Danube and Bulgaria 1/	1,104	0	1,392	56	904	0
Total	59,843	34,177	58,166	53,874	47,977	39,071

Division of Statistical and Historical Research.
Compiled from official and trade sources.
1/ Preliminary.
2/ Sea trade only, land trade not reported since September 1931.

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August 28, 1933

WORLD WHEAT PROSPECTS

Summary

The present prospects are that the world wheat supply for the 1933-34 season will be somewhat less than for the 1932-33 season. The world's supply of wheat outside of Russia may be about 250,000,000 to 300,000,000 bushels loss or about 6 percent less than in the past season, according to the Bureau of Agricultural Economics. The world market situation has improved to some extent, and this has been reflected in some improvement in wheat prices in British markets when measured in terms of British currency. When measured in terms of United States currency at current exchange rates the advance of prices in British markets has been very marked.

The wheat price that can be maintained in the United States depends in part upon the domestic supply situation, as well as upon the value of our currency and the world wheat supply situation. Ordinarily, when the United States has a considerable surplus of wheat for export, the price of wheat in Chicago is from 10 to 20 cents a bushel under Liverpool. When our supplies are short or for some other reason our prices are on a domestic basis, prices in the United States can rise only about the extent of the tariff and the cost of transportation above the Winnipeg and Buenos Aires markets for comparable grades of wheat. In other words, the price of wheat in Chicago ordinarily cannot rise above Liverpool to the extent of the tariff (42 cents per bushel) without encouraging surplus-producing countries to turn their shipments to the United States. When Liverpool prices rise to

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The reports of the foreign offices have not been quoted at length but have been made the basis of, or largely used in, presenting the foreign situation.

as much as 30 cents above Chicago, the margin between prices at our coastal markets and Buenos Aires is likely to be wide enough to cause imports from the Argentine.

The high levels of wheat prices recently reached in the United States have been built upon speculation as to inflation, prospective acreage curtailment next year, and unusually short crops in Canada and in the United States east of the Rockies, together with the "speculative momentum" of rapidly rising prices. The influence of these expectations has been partially wearing out in the face of the appreciation of the dollar in the foreign exchange and continuing uncertainty with reference to curtailment of acreage here and abroad. However as this statement goes to press it has been announced that representatives of the various countries at the World Wheat Conference have reached an agreement which involves acreage reduction, limitation of exports, and the lowering of wheat import restrictions. Details of the plan are not yet available.

Estimates of the carry-over in all positions in the United States, added to the crop as indicated by conditions reported up to August 1, will provide a total of 886,000,000 bushels of wheat, to be utilized for consumption, export, and carry-over. Assuming that 600,000,000 bushels will be used for food, feed, and seed, this would leave 286,000,000 bushels for carry-over and export. Of this amount about 125,000,000 bushels might be considered a very low carry-over in view of the large carry-overs of the past few years. The remaining 161,000,000 bushels may be considered the exportable surplus, an amount which would have to be exported or otherwise disposed of to reduce the carry-over at the end of the present season to what might be considered a normal size under ordinary conditions.

The character and location of the wheat in the United States, in excess of the 725,000,000 bushels necessary to provide seed, flour, some feed, and a moderate carry-over, are significant facts to be considered in the prospective disposition of the supply for the year. In the past several years our export surpluses have consisted mainly of white, durum, and hard red winter wheats. The durum crop of the present season does not provide a surplus, but we still have surpluses of hard red winter and white wheats. Reviewing the supplies and disposition of wheat by classes during the past few years suggests the following budgeting of the supply for the 1933-34 season:

Table 1.- Wheat: Supply, and a budget for utilization and carry-over, by classes, crop year, 1933-34

Class	Crop	Carry-over	Supply	Use	Minimum carry-over	Export surplus
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Hard winter	163	181	344	210	40	94
Hard red spring	92	119	211	160	50	1
Soft winter	143	33	176	155	15	6
White	83	40	123	50	15	58
Durum	19	13	32	25	5	2
Total	500	386	886	600	125	161

Of the export surplus as indicated above about 60,000,000 bushels of white wheat are in the Pacific Coast States and 100,000,000 bushels of hard red winter wheat are in the Southwest. The latter would be shipped through Gulf or Atlantic ports in the form of wheat and flour if removed.

The plausibility of the above estimates for the 1933-34 season may be checked against the experience of the United States in the 1925-26 season. In 1925 the United States harvested 669,000,000 bushels of wheat and had a carry-over of 115,000,000 making a total supply of 784,000,000 bushels. From this amount net exports amounted to 93,000,000 bushels and 98,000,000 bushels were left in the carry-over, indicating that 589,000,000 bushels were used up within the season. The foregoing budgeting for the 1933-34 season would allow both consumption and carry-over to be slightly larger than in the 1925-26 season.

It may be of interest also to note price relations of the 1925-26 season. In the 1924-25 season, a season of large exports from the United States, the price of imported parcels of wheat at Liverpool averaged $1.76, whereas No. 2 Hard Winter at Chicago averaged $1.39, a difference of 37 cents per bushel in favor of Liverpool. In the next season with a short crop in the United States and a large world supply, the price of imported red at Liverpool averaged $1.69, whereas No. 2 Hard Winter at Chicago averaged $1.61, a difference of only 8 cents in favor of Liverpool. In 1925-26 prices of wheat in Chicago were often and for some time above Liverpool prices. The average price of No. 3 Manitoba Northern for the season was $1.43 a bushel, whereas No. 1 Northern Spring at Minneapolis averaged $1.61, and No. 2 Hard Winter at Kansas City averaged $1.63. The spreads during the year were sometimes much wider than these averages.

World Wheat Carry-over

Reports of stocks of old wheat as of July 1 in the principal exporting countries together with port stocks in the United Kingdom and wheat afloat indicate that about 782,000,000 bushels of wheat were carried over into the 1933-34 season. This compares with 698,000,000 a year earlier and 666,000,000 carried into the 1931-32 year. In each of the two principal exporting countries of the Southern Hemisphere, Argentina and Australia, stocks on July 1 were about 10,000,000 bushels above those of a year earlier. In the Northern Hemisphere stocks in the United States were only slightly larger than those of a year earlier but in Canada there was an increase of about 75,000,000 bushels. Thus it appears that a large portion of the increase in the carry-over in the exporting countries was in Canada, but owing to the prospects of a much smaller Canadian crop this year total Canadian supplies for 1933-34 may be much as 100,000,000 bushels smaller than those of last year.

Continental European stocks on July 1 were also considerably larger than those of a year earlier. In Germany farm stocks and stocks in second hands were reported to be considerably larger than at the same time a year earlier. In France available supplies of old crop wheat on July 1 were considerably above normal. Total stocks of wheat in 12 continental ports on July 15 amounted to about 6,800,000 bushels compared with 5,300,000 a year earlier. In the lower Danube Basin countries carry-over as of July 1 was reported to be about 3,000,000 bushels, which is considerably below average. It is probable that on account of the lateness of the harvest this carry-over will be consumed before the new crop arrives on the market in volume.

Table 2.- Wheat: Carry-over 1/July 1, 1930-1933

Position	1930	1931	1932	1933
	Million bushels	Million bushels	Million bushels	Million bushels
United States:				
Domestic	303	324	382	386
Canadian wheat in United States	16	5	5	4
Canada:				
Domestic	134	148	153	230
United States wheat in Canada	5	15	16	4
Argentina	39	57	39	59
Australia	42	61	47	56
United Kingdom port stocks	6	6	11	12
Afloat to United Kingdom	11	19	16	15
Afloat to Continent	17	18	19	8
Afloat to orders	10	13	10	8
Total	583	666	698	782

Compiled as follows: United States; stocks on farms, stocks in country mills and elevators, commercial stocks, stocks in merchant mills and elevators, in transit to merchant mills and elevators, and stocks stored for others by merchant mills. Canada: Carry-over July 31, plus net exports during July. Argentina: 1930-1932, carry-over on December 31 plus exports July 1 - December 31. Australia: 1930-1932, carry-over on December 1, plus exports July 1 -November 30. Data for Argentina and Australia for 1933 computed from the estimate of the production plus carry-over of old crop on January 1, less home consumption(12 months) and exports January 1 - June 30.

1/ Represents as nearly as possible total stocks of old crop wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus requirements for July in case of Canada and July-December in case of Argentina and July-November in case of Australia.

Wheat Carry-over in the United States

The carry-over of wheat in the United States on July 1, 1933, based on preliminary estimates was about the same as that of a year earlier, but the supplies of old and new wheat for 1933-34 appear to be about 225,000,000 bushels below last year. According to the reports received by the Bureau of Agricultural Economics, the stocks of wheat in all positions on July 1 totaled 385,881,000 bushels compared with 382,076,000 bushels on July 1, 1932. The July 1,1932, stocks have been revised from 362,658,000 bushels largely because of a revision in farm stocks. Although the carry-over of wheat this year was only slightly larger than that of a year ago the location of stocks was very different this year. Commercial stocks and stocks on farms were below those of a year earlier. Commercial stocks were about 45,000,000 bushels smaller on July 1 this year than a year earlier but the mills had accumulated larger stocks. This can be accounted for by the fact that wheat moved very slowly from farms during the early part of the 1932-33 season and marketings were more closely related to the rate of consumption of wheat by mills than in previous seasons. The effect of this was to hold commercial stocks at a relatively low level throughout the season. During the last few months of the 1932-33 year wheat marketings were accelerated because of price advances and because of the small crop of new wheat in prospect. This accelerated marketing was accompanied by unusually heavy mill buying which assisted in continuing the relatively low level of commercial stocks. The increased mill buying has been attributed to a number of factors. Probably the most important of these was the processing tax which was being considered at that time. In spite of the efforts of mills to increase their grindings and the sale of flour during May and June, stocks of wheat piled-up very rapidly in their bins so that the end of the year found them with relatively large stocks of wheat.

In spite of this relatively large carry-over the supplies of wheat in prospect for 1933-34 are considerably smaller than the 1932-33 supplies. Conditions as of August 1 indicated a crop of 499,671,000 bushels, which when added to the carry-over makes a prospective supply of 885,562,000 bushels and is about 225,000,000 bushels smaller than the supply available in 1932-33 and about 280,000,000 bushels smaller than the 1931-32 supply.

It should be noted that all the items, save mill stocks, include total stocks in the enumerated positions without regard to ownerships. Separate items are shown for stocks in merchant mills and mill elevators attached to mills according to whether the wheat is owned by mills or others. This means that the grand total includes wheat in all reported positions without regard to ownership, save for the fact that the intransit figures include wheat in transit to and bought to arrive by mills owners. It is likely that a large part of the wheat in transit to mills on July 1 was old wheat. Wheat bought to arrive, however, may have included some new wheat. Since wheat in transit and that bought to arrive represents a relatively small percentage of the total carry-over, the error involved by including some new wheat in the "bought to arrive" item is of little consequence. It should also be borne in mind that there may have been some old wheat in transit on July 1 to buyers other than mills,which was not included in the carry-over. The items "merchant mill stocks" and "in transit and bought to arrive" are based on the report of the Bureau of the Census dated August 11, 1933. The stocks as reported by the census were adjusted to include an estimate for the mills not reporting to the census. Stocks of wheat on farms and in interior mills and elevators are as reported by the Division of Crop and Livestovk Estimates of this Bureau and include old wheat only. Commercial stocks, that is, wheat in commercial elevators, are those reported to the Bureau of Agricultural Economics and include practically all old wheat only a small amount of the new crop having been delivered to these elevators prior to July 1. Owing to the earliness of the southwestern crop

this year and because of the marketing stimulus during June it may be that a larger percentage than usual of the new crop was marketed before July 1. However, because of the very small crop the total marketed before July 1 may not have been above average.

Table 3.- Wheat, including flour: Supply, distribution and disappearance in continental United States, 1928-29 to 1933-34

Item	Year beginning July					
	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34
SUPPLY	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Stocks, July 1:						
On farms 1/	19,567	45,428	59,467	37,331	90,284	79,605
In country elevators and mills 1/	19,277	41,546	60,166	30,252	41,585	61,524
Commercial stocks 2/	42,208	95,684	109,327	203,967	168,405	123,596
In merchant mills and elevators 3/	31,920	48,279	46,670	21,808	64,520	95,420
In transit to merchant mills 3/	10,893	16,237	14,706	12,198	10,088	15,786
Stored for others by merchant mills 3/	-	-	13,500	18,413	7,194	9,950
Total wheat as grain	123,865	247,174	302,836	323,969	382,076	385,881
Flour (in terms of wheat) 4/	9,019	13,541	20,497	6,886	7,041	7,214
Total wheat & flour	132,884	260,715	323,333	330,855	389,117	393,095
New crop 1/	926,075	812,573	858,911	900,219	726,283	499,671
Imports (flour included 5/	21,442	12,956	19,059	12,386	9,382	
Total supply	1,080,401	1,086,244	1,201,303	1,243,960	1,124,782	
DISTRIBUTION						
Exports and shipments:						
Exports (flour included) 5/	163,687	153,245	131,475	135,797	41,224	
Reexports (flour included) 5/	55	72	20	864	456	
Shipments (flour included to Alaska, Hawaii, and Puerto Rico 5/	3,172	2,977	2,850	2,797	3,023	
Total	166,914	156,294	134,345	139,458	44,703	
Seed requirements 6/	85,375	84,882	81,955	80,785	80,475	
Disappearance for food, feed and waste	567,397	534,235	654,148	634,600	606,509	
Carry-over, June 30 7/	260,715	310,833	330,855	389,117	393,095	
Total distribution	1,080,401	1,086,244	1,201,303	1,243,960	1,124,782	
	Thousands	Thousands	Thousands	Thousands	Thousands	
Population, Jan. 1 8/	120,694	122,359	123,630	124,511	125,197	
Per capita disappearance:	Bushels	Bushels	Bushels	Bushels	Bushels	
For food, feed, & waste	4.70	4.37	5.29	5.10	4.84	
For food, feed, seed & waste	5.41	5.06	5.95	5.75	5.49	

Bureau of Agricultural Economics. Compiled as follows: 1/Based on returns to the Bureau from crop reports. 2/Bureau of Agricultural Economics, 1930 to 1933, Bradstreet prior to 1930. 3/Bureau of the Census figures raised to represent all merchant mills. 4/From Chicago Daily Trade Bulletin. 5/From reports of Foreign and Domestic Commerce of the United States. 6/Amount of seed used per acre from returns to the Bureau from inquiries sent to crop reporters. 7/For individual items see above. 8/ Bureau of the Census.

Table 4.- Wheat: World supply, price and disappearance, 1921-22 to 1933-34

Year	Production						
	United States	Canada	Argentina	Australia	Europe 1/	All other 2/	World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22	819	301	191	129	1,222	515	3,177
1922-23	847	400	196	109	1,044	607	3,203
1923-24	759	474	248	125	1,257	656	3,519
1924-25	840	262	191	165	1,058	610	3,126
1925-26	669	395	191	115	1,397	613	3,380
1926-27	834	407	230	161	1,216	647	3,495
1927-28	875	480	282	118	1,274	642	3,671
1928-29	926	567	349	160	1,410	594	4,006
1929-30 3/	813	305	163	127	1,450	702	3,560
1930-31 3/	859	421	232	214	1,362	728	3,816
1931-32 3/	900	321	220	191	1,435	723	3,790
1932-33 3/	726	429	235	216	1,488	673	3,767
1933-34 3/	500	(280)			(1,549)		
	Shipments from Russia	Stocks accounted for July 1 4/	Total supply	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)	
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents	
1921-22	5/	309	3,486	3,193		120	
1922-23	7	293	3,503	3,191	136	113	
1923-24	21	312	3,852	3,505	121	105	
1924-25	6/	347	3,473	3,191	179	135	
1925-26	27	282	3,689	3,401	170	163	
1926-27	49	288	3,832	3,496	164	135	
1927-28	5	336	4,012	3,590	154	135	
1928-29	6/	422	4,428	3,811	129	112	
1929-30 3/	7	617	4,184	3,601	131	120	
1930-31 3/	112	583	4,511	3,845	80	76	
1931-32 3/	72	666	4,528	3,830	59	47	
1932-33 3/	17	698	4,482	3,700	54	51	
1933-34 3/		782					

1/ Excludes Russia. 2/ Excludes Russia and China.

3/ Preliminary 4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia and Canada, the United Kingdom port stocks and supplies afloat.

5/ Not available. 6/ Less than 500,000 bushels.

Wheat Prices

Wheat prices at United States markets advanced uniformly during the first 3 weeks of July. On the 19th and 20th, however, there was a drastic decline which brought prices to the level of those of the 1st of the month. For the remainder of July and during the first 2 weeks of August prices were erratic. During the 3rd week of August prices declined steadily. At Chicago, September futures, after hitting a high point for the season of 118-7/8 cents on July 17 declined to 92-1/8 on August 12. At this point the decline was arrested by the peg which had been placed in the Chicago market. For 3 days there was no change in the price and practically no trading. Following the removal of the peg on August 15, prices again declined the next day, reaching a low of 87-1/8 cents. On August 17, however, September futures advanced closing at 90 cents per bushel.

At Winnipeg, October futures followed Chicago, making about the same advance during the early part of July and declining rapidly on the 19th and 20th. During the period August 12 to August 15 when the Chicago price was at the minimum set at that market, traders turned to the Winnipeg market, thus increasing the volume of trading at Winnipeg. The selling pressure was so great at Winnipeg that it became necessary to peg prices at that market.

Considerable light on the United States wheat price situation may be had from a comparison of prices of futures at Chicago and at Liverpool now with their prices at the first of March. On the first trading day of March the approximate value of the British pound in terms of United States currency was $3.40, and on that day July futures at Liverpool and Chicago were at approximately the same level, 48 cents per bushel.

Table 5.- Wheat: Price per bushel at specified markets, June 3 - Aug. 12, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
June 3	69.5	76.6	54.3	45.4	61.6	66.0	146	122	148
10	71.0	76.7	53.8	45.1	61.5	69.1	147	116	153
17	71.7	77.1	54.9	46.5	61.9	70.4	150	112	-
24	74.7	80.5	57.8	47.6	62.1	72.0	149	124	155
July 1	91.4	97.4	64.0	50.9	68.9	73.6	156	159	165
8	98.2	104.7	70.8	57.1	76.1	79.5	167	166	167
15	101.6	113.4	79.8	65.5	80.6	85.0	173	175	174
22	103.6	114.1	75.5	67.8	82.8	84.8	174	184	178
29	89.9	100.4	72.2	62.7	80.6	83.9		175	167
Aug. 5	91.7	99.8	72.7	61.3					
12	94.3	99.6	66.4						

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday. Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.
1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales. 7/ Domestic.

Table 6.- Wheat: Closing prices of September futures 1/

Date	Chicago		Kansas City		Minneapolis		Winnipeg 2/		Liverpool 2/		Buenos Aires 3/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
May 22) 4/	63	119	58	113	64	118	58	93	63	89	5/51	6/71
July 21) 4/	47	70	41	63	46	66	48	55	50	61	5/44	6/46
22	48	7/93	43	7/85	49	7/92	51	72	53	79	46	65
29	51	97	45	93	52	97	52	75	56	77	48	61
Aug. 5	54	99	48	93	56	97	53	78	56	76	49	61
12	51	92	45	88	53	92	51	68	56	71	49	58

1/ October futures for Winnipeg and Liverpool. 2/Conversions at noon buying rate of exchange. 3/Prices are of day previous to other prices. 4/High and low for period(May 22 - July 21, 1933) (May 23 - July 22, 1932) 5/August futures. 6/ August and September futures. 7/Price for July 20.

Table 7.- Wheat: Weighted average cash price at stated markets

Week ended	All classes: and grades six markets		No. 2 Hard Winter: Kansas City		No. 1 Dk.N.Spring: Minneapolis		No. 2 Amber Durum: Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
May 27)2/	64	104	57	102	74	113	69	115	58	107	65	85
July 15)2/	47	71	43	68	61	74	52	68	47	75	51	59
22	47	108	44	106	57	114	53	120	47	108	50	86
29	49	93	46	90	58	100	55	101	49	94	51	83
Aug. 5	51	94	46	92	58	100	56	104	51	93	52	83
12	56	97	49	94	61	100	62	105	55	96	58	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (May 27 - July 15, 1932 and 1933).

Prices and Markets

Continental Europe

In practically all European markets July prices showed a firm tendency until well into the second half of the month, with import business, particularly in Belgium and Holland, greatly stimulated by the optimistic tone of the American markets. Turnover as well as price changes followed the direction of overseas developments, but the movements in the European markets were much more conservative. In sympathy with the price-break on North American markets around July 20, continental markets also experienced price declines which, of course, were most pronounced in the large import markets, but of relatively little significance elsewhere.

Large acquisitions of foreign wheat resulted from the very unfavorable crop prospects in the United States and Canada, a factor which continued to dominate the continental import markets even after the price break. Although the break in prices reduced continental import buying, business in foreign wheat, especially to the Netherlands and Belgium, continued significant throughout the month.

Trading in domestic wheat on the Continent during the month of July, while of moderate volume, was also stimulated by developments on the world wheat market. The sharp rise in domestic wheat prices in France may be attributed almost entirely to the passage of the new wheat law, which guarantees farmers a minimum wheat price of $1.23 per bushel (conversion at par exchange) producing point parity. Price changes in Germany were of little importance, and the slightly downward tendency experienced during the second half of the month was largely a result of the considerably increased farm offerings which followed the removal of the prohibition on trade in wheat for future delivery. Prices increased strongly in Poland, during the first half of July, but later declined sharply. Price fluctuations in most central European deficit countries were insignificant, but prices have recently weakened, as a result of the approaching harvest.

Wheat and wheat flour shipments to the Continent and to all of Europe (including shipments to the Continent, to the United Kingdom, and on order) during the past several weeks showed little change from the weeks immediately preceding. Shipments from Argentina have increased, and those from North America have declined. Total shipments to the Continent during the year ended June 30, 1933, amounted to about 158,500,000 bushels as compared with 230,400,000 bushels during the previous season. A similar drop is apparent in the shipments to all of Europe, which, for the period indicated, were 442,300,000 bushels in 1932-33, compared to 596,000,000 bushels in 1931-32.

Spot trade in all Danube Basin countries was characterized during the period under review by very small arrivals and by eager demand from millers. The only important event of the spot market was the sale of 382,000 bushels of old wheat by the Bulgarian Government Grain Purchasing Bureau during the later part of June and the first half of July. These sales

became necessary on account of the general depletion of stocks. As a result of small arrivals and large demand, spot prices increased by the beginning of July.

Future markets were very active beginning with July 10. The present peculiar world wheat situation, which resulted in price advances on world markets, was shaded down on Danubian markets to a general better feeling and firmer tendency. Future prices are considerably below June spot quotations, which were high on account of last year's crop failure.

Production and Crop Conditions

United States

Production of all wheat in the United States is forecast at 499,671,000 bushels, an increase of about 1 percent over last month's forecast. The increase was in winter wheat; durum and other spring showed practically no change.

The preliminary estimate of winter wheat production is 340,353,000 bushels, as compared with last year's production of 461,679,000 bushels and the 5-year average (1926-1930) of 589,733,000 bushels. The present estimate is about 1 percent above last month's forecast. The yield per acre this year is estimated at 12.7 bushels per acre as compared with the 10-year average of 14.7 bushels.

All spring wheat production is forecast at 159,316,000 bushels, which is practically the same as last month's forecast but about 105,288,000 bushels less than the 1932 crop and about 112,118,000 bushels below the 5-year average. In most of the important spring wheat territory the damage to the crop during the month of June was irreparable and some further deterioration occurred during July in Montana and Minnesota. This was offset largely by a slight improvement in prospects in North Dakota, where early July rains came in time to be of benefit to the crop.

The indicated production of durum wheat is 17,532,000 bushels and of other spring wheat 141,784,000 bushels.

Canada

The Canadian crop will probably be between about 260,000,000 and 300,000,000 bushels. The Dominion condition report of August 10 of 57 percent of average suggests a spring wheat harvest of only 244,000,000 bushels, which added to estimated winter wheat production of 14,000,000 bushels gives a total indicated crop of 258,000,000 bushels.

In the past 3 years since conditions have been reported in terms of a percentage of the long-time average yield, the Dominion reports of conditions as of August 1 have been a little lower than as shown by final reports. Weather reports indicate a total crop centering at about 315,000,000 bushels, but the indications based on weather reports probably did not take full account of the heat damage in mid-June, and actual production is probably somewhat lower than the indication based on weather reports. Indications based on weather have tended to be a little high the past 3 years.

Table 8.-Wheat: Production in specified countries, 1929-30 to 1933-34

Country	1929-30	1930-31	1931-32	1932-33	1933-34, prel.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	812,573	858,911	900,219	726,283	499,671
Canada	304,520	420,672	321,325	428,514	1/280,000
Mexico	11,333	11,446	16,226	9,658	11,753
Total	1,128,426	1,291,029	1,237,770	1,164,455	791,424
Europe					
England and Wales	47,451	39,960	35,896	41,253	57,008
Scotland	2,165	2,128	1,792	2,240	2/ 2,800
Northern Ireland	142	171	106	121	2/ 150
Irish Free State	1,184	1,092	781	831	2/ 1,000
Norway	750	720	592	785	3/ 660
Sweden	19,011	20,819	17,033	26,500	3/ 22,300
Denmark	11,772	10,216	10,053	10,997	3/ 10,300
Netherlands	5,467	6,056	6,751	12,837	14,183
Belgium	13,225	13,236	13,817	15,376	13,632
France	337,252	228,105	264,117	333,524	3/297,100
Spain	154,245	146,700	134,427	184,207	4/129,700
Luxemburg	275	442	406	496	2/ 450
Portugal	10,636	13,817	12,999	18,137	3/ 13,600
Italy	260,125	210,071	244,415	276,163	3/272,000
Switzerland	4,207	3,605	4,045	4,182	2/ 4,000
Germany	123,062	139,217	155,546	183,830	192,682
Austria	11,559	12,008	11,009	13,007	3/ 13,300
Czechoslovakia	52,902	50,606	41,232	53,737	3/ 57,200
Greece	11,434	9,709	11,228	17,067	28,000
Poland	65,862	82,321	83,220	49,472	3/ 72,800
Lithuania	9,329	11,327	8,335	9,359	3/ 8,700
Latvia	2,336	4,062	3,588	5,268	3/ 4,700
Estonia	1,260	1,635	1,738	2,087	3/ 2,500
Finland	765	866	1,121	1,260	3/ 1,500
Malta	293	303	277	301	2/ 300
Total	1,146,709	1,009,192	1,064,324	1,263,037	1,220,565
Bulgaria	33,195	57,317	63,831	50,553	52,139
Hungary	74,985	84,339	72,550	64,463	87,412
Rumania	99,753	130,771	135,300	55,536	108,393
Yugoslavia	94,999	80,326	98,789	53,444	5/ 80,800
Total	302,932	352,753	370,470	223,996	328,744
Total Europe	1,449,641	1,361,945	1,434,794	1,487,033	1,549,309
Africa					
Algeria	33,307	32,442	25,649	29,237	28,109
Morocco	31,764	21,302	29,783	27,970	25,722
Tunis	12,309	10,398	13,963	17,453	10,288
Egypt	45,228	39,753	46,073	52,586	39,940
Total	122,608	103,895	115,468	127,246	104,059

Continued -

Table 8.-Wheat: Production in specified countries, 1929-30 to 1933-34 - Contd

Country	1929-30	1930-31	1931-32	1932-33	1933-34, prel.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Asia					
India	320,768	390,843	347,424	336,896	352,875
Japan	30,496	29,537	30,892	31,336	38,213
Chosen	8,320	8,985	8,341	8,576	8,304
Turkey	99,900	91,322	102,426	69,344	80,835
Total	459,484	520,687	489,083	446,152	480,227
Total 40 countries	3,160,159	3,277,556	3,277,115	3,224,886	2,925,019
Estimated Northern Hemisphere total, excluding Russia and China	3,194,000	3,314,000	3,316,000	3,251,000	

Compiled from official sources except as otherwise noted. 1/ Based on weather conditions. 2/ Unofficial. 3/ Estimated in the Berlin office of the Bureau of Agricultural Economics. 4/ Estimated in the Marseille office of the Bureau of Agricultural Economics. 5/ Estimated in the Belgrade office of the Bureau of Agricultural Economics.

Europe

The season has now progressed far enough so that it can be said with assurance that the 1933 wheat crop in the 19 countries reported on by the Berlin office will fall short of the record crop harvested in 1932. During May and June, western Europe, except for France and Holland, experienced excessive rainfall. Rainfall during July was below normal in practically every country, and in many of the important countries so far below normal as to reduce crop prospects, particularly in those countries where rainfall during the previous 2 months was also light. Rainfall in the Scandinavian countries and in Poland, Holland, and Czechoslovakia, as well as in parts of Austria has been considerably below normal during the above 3 months. Although past experience indicates that even normal rainfall is excessive for best wheat yields, the deficit in certain of these countries has assumed the proportions of a drought. This is particularly true in the Scandinavian countries, but also in parts of Czechoslovakia and Austria.

Germany

The second official estimate as of August 1, 1933, places the yields of the chief crops, except oats, above those of last year. Yields of spring wheat and spring rye are placed somewhat above those of a year ago.

While official estimates indicate a wheat crop of 192,682,000 bushels compared with 183,830,000 bushels last year, comments from all private sources indicate that a crop below that of 1932 is expected, and the July and August estimates therefore must be considered too high.

One well-known German agriculturist recently placed Germany's wheat crop at about 170,000,000 bushels. On the basis of rainfall during May and June and the first part of July we previously estimated the wheat crop at about 170,000,000 bushels. The weather during the latter part of July, however, has been more favorable and, assuming more or less normal rainfall during the remainder of the growing season, it would appear that the wheat crop would reach about 179,000,000 bushels.

Rainfall in June was greatly in excess of normal, though toward the end of June and during the first week of July it was quite dry. Then followed another week of rain after which the weather again turned dry, so that the total rainfall up to the 25th of July has been below normal. Wheat yields, and especially quality, will be greatly affected by weather conditions during the next 3 or 4 weeks.

In view of the unfavorable weather in June it was rather surprising to find that the official crop condition report showed some improvement in crops during that month. There has been considerable lodging reported and the June rains promoted the growth of weeds.

Austria

All crops, corn excepted, continue above average, according to the official crop condition report of July 1. Winter wheat and spring barley show some improvement compared with the previous month, while spring wheat and winter barley have slightly deteriorated. However, all crops, spring wheat and corn excepted, are better than at the same time a year ago, as can be seen from the following table:

Grain	July 1, 1932	June 1, 1933	July 1, 1933
Wheat			
Winter	2.5	2.2	2.1
Spring	2.6	2.6	2.7
Rye			
Winter	2.4	2.0	2.1
Spring	2.6	2.3	2.3
Barley ..			
Winter	2.6	2.2	2.3
Spring	2.5	2.3	2.1
Oats	2.5	2.4	2.4
Corn	2.6	2.8	3.4

1 = excellent; 2 = good; 3 = average; etc.

Lodging was reported in Austria as a result of heavy showers in June, which affected principally winter rye and spring barley. The cool weather checked growth and is chiefly responsible for the unfavorable progress of corn. All crops are late.

Later July reports continued to speak of favorable crop prospects, with indications that the cool weather had been favorable to the maturement of grain, with both ears and straw giving promise of good results.

France

Reports on this year's French wheat crop vary greatly, and considerable uncertainty exists as to the final outcome. It seems certain, however, that this year's crop will fall below that of last year. The chairman of the Agricultural Society recently intimated that a good average crop can be expected, which would probably mean somewhere around 294,000,000 bushels compared with about 331,000,000 bushels harvested in 1932, or a reduction of about 11 percent. First threshing reports from the South, the Rhone and the Beauce districts indicate favorable returns and a high hectoliter weight. On the other hand, around the middle of July considerable mention was made of heat damage, chiefly on light soils, and in cases where fields were not sufficiently fertilized; in fact, some reports at that time mentioned a reduction of fully 25 percent compared with last year. Toward the end of July, however, more optimistic reports were again received, and a good medium crop seems probable.

Czechoslovakia

Owing to rains, particularly toward the end of June, crop conditions in Czechoslovakia improved, but growth is delayed as compared with normal years. All crops are somewhat above average, with the best conditions reported in the case of winter wheat. The condition of most crops, however, is less favorable than at the same time last year, as can be seen from the following table:

Grain	July 1, 1932	June 1, 1933	July 1, 1933
Wheat			
Winter	2.58	2.42	2.37
Spring	2.51	2.69	2.61
Rye, winter	2.40	2.68	2.40
Barley, spring .	2.30	2.63	2.66
Oats	2.28	2.86	2.83

1 = excellent; 2 = good; 3 = average; etc.

Wheat is reported promising, and rye is well developed, though rains at blossoming time prevented the ears from filling properly. Rainfall, especially in July, has been much below normal, and practical drought conditions prevail in some areas.

Poland

A further improvement in the condition of all Polish crops has taken place during the first half of June and beginning of July, due to good rains over most of the country. All crops are above average, and considerably more favorable than at this time last year. The wheat crop is expected to be well above that of 1932, when extensive rust damage occurred. The following table gives the official crop conditions, with comparisons.

Grain	July 5, 1932	June 15, 1933	July 5, 1933
Wheat			
Winter	3.3	3.6	3.7
Spring	3.1	3.3	3.5
Rye			
Winter	3.4	3.7	3.8
Spring	2.7	3.1	3.3
Barley			
Winter	3.1	3.3	3.5
Spring	2.9	3.1	3.5
Oats	2.8	3.1	3.3

5 = excellent; 4 = good; 3 = average; etc.

The above conditions do not reflect the lack of rainfall during July which has been sufficient to cause some crop deterioration, especially in the East and South.

Netherlands

Wheat, rye and oats showed an improvement over the previous month, according to an official crop condition estimate of July 13, while barley remained unchanged. All crops are reported in favorable condition and somewhat better than the 10-year average. Compared with a year ago, wheat and spring barley prospects are slightly less favorable, while other crops are either equal or slightly above. Lodging, due to the socalled "foot disease", and head blight are visible on some fields but, on the whole, prospects are promising.

Belgium

Despite none too favorable weather conditions during the second half of June, the condition of crops is reported favorable. The official report of early July indicates that growth has been vigorous and crops are generally promising, although some fields of wheat have remained rather thin.

Denmark

Drought and very hot weather was reported from Denmark around the middle of the month, but it appears that crops have not suffered greatly.

Latvia

While previous reports indicated generally favorable crop prospects in Latvia despite rather unfavorable weather conditions, reports toward the end of July were less satisfactory. It is now stated that the recent abundant rains and warm weather have not been able to offset the unfavorable effects of spring and early summer drought. This is particularly true of northern and extreme eastern Latvia, with spring crops, flax and beets mostly severely affected.

Estonia

Drought and hot weather has been unfavorable to the development of Estonian crops, with spring crops particularly affected. The official mid-July estimate indicates both rye and wheat crops still somewhat above the 10-year average, while oats, barley and potatoes are from 25 to 37 percent below average. Prospects are reported to be poorer than last year.

Switzerland

Winter cereals continue to promise about normal yields. Development of spring crops was somewhat hampered by rains and cool temperatures in June, although prospects are for about average yields.

Finland

Crop conditions in Finland are unsatisfactory, due to protracted drought, and prospects are for a crop considerably below average.

Soviet Russia

The preliminary final spring sowing report published by the government around July 15 indicates that the total 1933 spring acreage amounted to 230,072,000 acres compared with 238,886,000 acres sown in 1932. Total sowings for the Union as a whole fell 2 percent short of this year's plan, due to the unsatisfactory progress in such important regions as Ukraine, North Caucasus and Ural as well as certain minor regions.

Ossinsky, Chairman of the State Committee Estimating Yields of the Council of Peoples' Commissars of USSR, indicated at the end of July that reports received up to that date indicated good yields in the South, although weeds were abundant and harvesting operations unsatisfactory. The crop outlook was also above average and prospects in some regions "more than satisfactory". Later local press reports from different regions, including the important sections of Ukraine and North Caucasus confirmed the above statement. It appears, however, that lodging is more prevalent than usual, which will render harvesting more difficult. At the same time, yields are expected to be reduced by the super-abundance of weeds. Another factor endangering the final crop outturn is the problem of losses at harvest time. Losses from untimely reaping, poor harvesting, etc. were very considerable last year and to a considerable extent accounted for the downward revision of the crop.

Certainly weather conditions this year have been more favorable than last, but the shortage of seed at planting time and the tremendous weed growth resulting from improper cultivation point strongly to a none too favorable crop, though, no doubt, better than last year. This is especially true of wheat, the acreage of which appears to be somewhat less than in 1932.

Danube Basin

The 1933 wheat production in the Danube Basin (winter and spring combined) is forecast by the Danube Basin office to be 318,000,000 bushels as compared with the 1932 production of 219,372,000 bushels, and the average production 1927 to 1931 of 332,615,000 bushels.

Continued rainy weather during June caused lodging of the wheat in many districts. By the beginning of July, however, the weather became sunny and seasonably warm in Bulgaria and the southern districts of Yugoslavia, and by July 10, similar conditions became general throughout the Danube Basin. The arrival of warm weather hastened ripening, and harvesting which began in the plain regions of the Danube Basin by July 10, became general by the middle of July, and was practically completed by the end of the month.

New crop wheat begins to move to market in July but the heavy marketings occur in August. The quality of this year's crop is generally good in all Danube Basin countries, and commercial wheat will average about 60.6 pounds per bushel. There will be, however, no exceptionally heavy wheat on account of the cool weather that prevailed at ripening time. The quality of the gluten is expected to be about average.

Turkey

The 1933 production of wheat in Turkey is now forecast by the Danube Basin office at 84,500,000 bushels, as compared with 69,344,000 bushels produced in 1932, and 79,906,000 bushels, the average 1927-1931 production. The June 22 forecast of the Danube Basin office, which amounted to 103,000,000 bushels has been materially reduced on the strength of rainfall data recently received for May and June. The revised estimate compares with an estimate of 80,800,000 bushels forwarded by the Turkish Export Institute on July 18.

China

The Chinese winter wheat crop continues to appear fully 10 percent above last year and the Manchurian spring wheat crop prospects are very good, according to Assistant Agricultural Commissioner Fred Rossiter at Shanghai. Weather conditions in Manchuria have been exceptionally favorable and with acreage fully maintained the crop is expected to equal that of 1931 in Manchuria when over 58,000,000 bushels were produced. The 1932 crop was reduced about 60 percent as a result of rains and floods at harvest time.

Native wheat arrivals in Shanghai have been very heavy since July 1 and purchases are now limited to small quantities as mills report all storage space filled. Local wheat and flour prices in silver are the lowest in many years. With the present large wheat and flour stocks the fear that the government may bring in American wheat and flour has been an additional influence in depressing the market. There is no immediate interest in buying foreign wheat, Mr. Rossiter says, but if prices become lower or Shanghai flour prices advance, millers will likely be interested in making forward commitments for their winter and spring supply. Most Shanghai mills are now reported to be mixing 20 to 30 percent foreign wheat with domestic wheat.

Wheat imports into China for the crop year ended June 30 reached the very large figure of 45,462,000 bushels and flour imports totaled 3,035,000 barrels. The Shanghai office of the Foreign Agricultural Service estimates imports for the crop year beginning July 1 at 27,000,000 to 33,000,000 bushels and flour imports at around 1,361,000 barrels. These imports are based on the present economic outlook with no extreme effects resulting from American loans. Australia again continued to supply most of the Chinese wheat and flour imports the past year as indicated by the following table:

Source	Wheat 1,000 bushels	Flour 1,000 barrels 1/
United States	269	1,003
Canada	7,698	69
Australia	35,711	1,183
Argentina	1,775	
Others	9	2/ 728
Total	45,462	3/ 3,055

1/ 196 pounds. 2/ Japan. 3/ Does not include imports into Manchuria or Hongkong.

Imports into Shanghai for the year ended June 30, 1932, and which port accounts for the great bulk of the Chinese wheat imports, amounted to 38,081,000 bushels and for the previous year 27,186,000 bushels. Australia supplied 22,437,000 and 19,148,000 bushels for these 2 years, respectively.

Nominal prices c.i.f. Shanghai, for August shipment on wheat and flour were reported on August 10 as follows: Argentine, 68 cents per bushel; Australian, 73 cents; Canadian No. 2 and Western White No. 2, 86 cents; domestic standard spot, 47 cents per bushel for wheat and 63 cents per bag of 49 pounds for spot flour.

Table 9.-United States: Exports of wheat and wheat including flour, by weeks, 1932-33 and 1933-34

Date	Wheat		Wheat flour		Wheat including flour	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 1-June 30	20,887	---	4,327	---	41,225	---
Week ended						
July 8	270	3	24	45	385	215
15	777	8	58	35	1,050	172
22	321	4	43	34	523	164
29	594	6	81	55	975	264
Aug. 5	781	5	25	39	899	188
12	835	1	78	45	1,202	213

Table 10.-Wheat including flour: Shipments from principal exporting regions, by weeks, 1932-33 and 1933-34

Week ended	Argentina		Australia		Danube		North America	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 8	1,980	3,928	1,896	1,476	16	0	5,888	4,368
15	476	3,428	2,588	3,432	104	0	4,576	3,048
22	312	3,659	1,632	2,077	88	0	5,880	3,192
29	496	3,124	1,556	1,699	0	0	6,552	3,688
Aug. 5	456	1,916	2,328	2,782	0	0	4,472	4,204

Table 11.-United States: Net exports of wheat including flour, July-June, 1931-32 and 1932-33

Item	July 1, 1931 to June 30, 1932	July 1, 1932 to June 30, 1933
	1,000 bushels	1,000 bushels
Exports:		
Wheat	96,521	20,887
Flour in terms of wheat	39,276	20,338
Total	135,797	41,225
Imports:		
Wheat	12,885	9,379
Flour in terms of wheat	1	3
Total	12,886	9,382
Reexports:		
Wheat	863	453
Flour in terms of wheat	1	3
Total	864	456
Net exports:		
Wheat	84,499	11,961
Flour in terms of wheat	39,276	20,338
Total	123,775	32,299

Table 12.-Wheat including flour: Movement from principal exporting countries, 1929-30 to 1932-33

Country	Exports as given by official sources						
	Total			July 1 to date shown			Date
	1929-30	1930-31	1931-32	1930-31	1931-32	1932-33	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	153,245	131,475	135,797	131,475	135,797	41,225	June 30
Canada	184,213	267,365	199,563	267,365	199,565	267,342	" "
Argentina	161,265	120,638	144,615	120,638	144,615	120,272	" "
Australia	61,776	143,293	155,593	90,212	110,004	118,316	Mar. 31
Russia	7,380	111,780	71,830	65,864	67,426	16,904	Dec. 31
Hungary	31,415	18,425	18,064	8,474	12,188	4,274	May 31
Yugoslavia	23,593	5,332	15,369	5,308	14,216	1,160	Apr. 30
Rumania	2,560	16,072	37,481	13,104	36,568	186	" "
Bulgaria	96	5,041	11,795	2,117	9,895	2,288	Mar. 31
British India (L & S)	6,798	10,197	1/2,913	9,426	1/2,775	1/ 806	May 31
Total	632,341	829,621	793,020	753,983	733,047	572,773	

	Shipments as given by current trade sources						
	Total		Week ended			July 1 to Aug. 5	
	1931-32	1932-33 (prel.)	July 22	July 29	Aug. 5	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	333,638	298,514	3,192	3,688	4,204	27,368	18,500
Canada, 4 markets 3/	206,258	289,257	2,949	4,655	2,662	30,913	19,990
United States	135,797	41,225	164	264	188	5,737	1,004
Argentina	144,572	115,412	3,659	3,124	1,916	3,720	16,055
Australia	163,004	153,400	2,077	1,699	2,782	10,000	11,466
Russia 4/	71,664	17,408	0	0	0	0	0
Danube & Bulgaria 4/	39,280	1,704	0	0	0	208	0
British India	5/2,913	0	0	0	0	0	0
Total 6/	755,071	586,438	8,926	8,511	6,902	41,296	46,021
Total European shipments 2/	597,976	442,252	7,400	6,400		7/29,960	7/30,152
Total ex-European shipments 2/	194,464	164,455	2,112	2,688		7/7,288	7/9,160

Division of Statistical and Historical Research. Compiled from official and trade sources.

1/ Sea trade only, land trade not reported since September 1931.
2/ Broomhall's Corn Trade News.
3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster.
4/ Black Sea shipments only.
5/ Total exports as given by official sources.
6/ Total of trade figures includes North America as reported by Broomhall's.
7/ To July 29.

Table 13.-Wheat, including flour: Net imports into European countries, 1930-31 to 1932-33

Country	1930-31	1931-32	Prel. estimate 1933-34	Net imports reported July 1 to	1931-32	1932-33
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United Kingdom ..	221	245		Apr. 30	209	179
Italy	84	33	29 - 37	Apr. 30	20	12
Belgium	45	48	40 - 44	May 31	42	39
France	45	81	26 - 33	Apr. 30	60	35
Netherlands	35	31	24 - 26	June 30	31	26
Germany	30	22	4 - 11	June 30	22	9
Greece	24	24	11 - 17	Apr. 30	20	16
Irish Free State	19	20		June 30	20	18
Switzerland	18	21	17 - 19	June 30	21	19
Austria	17	15	11 - 13	May 31	12	11
Czechoslovakia ..	13	20	9 - 12	May 31	19	5
Denmark	11	17	11 - 15	June 30	17	12
Norway	8	9	7 - 8	June 30	9	8
Finland	5	4	4 - 5	Apr. 30	4	3
Sweden	5	7	3 - 5	June 30	7	4
Poland	1/ - 4	1/ - 3	1/-.9 to -5	June 30	1/ - 5	1/ - 1
Portugal	3	2	.9 - 3	Apr. 30	2	2
Latvia	2	1	.4 - .7	Apr. 30	1	2/
Estonia	1	1	0 - .6	Apr. 30	2/	2/
Spain	1/2/	2	11 - 17	May 31	2/	8
Total	582	600			513	405

Division of Statistical and Historical Research. Compiled from official sources. 1/ Net export. 2/ Less than 500,000 bushels.

Table 14.-Wheat, including flour: Exports from principal exporting countries, May, June and July, 1932 and 1933

Country	May 1932	May 1933	June 1932	June 1933	July 1932	July 1933 1/
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	8,831	1,523	8,086	1,719	4,841	815
Canada	17,621	24,008	18,426	19,449	21,629	18,591
Argentina	12,248	14,323	8,919	13,974	3,012	14,686
British India 2/ .	150	59	138	0	84	0
Australia	17,791	1/13,996	11,476	1/ 5,604	12,376	8,684
Russia	133	1/ 0	28	0	6	0
Danube and Bulgaria 1/	1,392	56	904	0	208	0
Total	58,166	55,970	47,977	40,746	42,186	42,776

Division of Statistical and Historical Research. Compiled from official and trade sources. 1/ Preliminary. 2/ Sea trade only, land trade not reported since September 1931.

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WORLD WHEAT PROSPECTS

September 30, 1933

Summary

The smaller world crop for the current season and the constructive nature of the London Wheat Agreement, seem likely to result in some advance of world wheat prices, from recent levels according to the United States Bureau of Agricultural Economics. During the latter part of September wheat prices at Liverpool, when expressed in terms of gold, fell below 50 cents per bushel. They are consequently about as low as they were during December and February of last season. In terms of United States currency, the price of December futures at Liverpool has been fluctuating in the vicinity of 70 to 75 cents a bushel during the past month, whereas December futures at Chicago have fluctuated from about 85 to 98 cents per bushel.

This year's wheat crop in the importing countries of Europe is estimated to be but little larger than last year in spite of extremely large crops in France and Germany. It is to be expected consequently, that European importations will not be greatly different from what they were a year ago. Due to the distribution of the crop and a rather large carry-over in France some reduction in total European takings during 1933-34 seems likely, however. A larger part of these imports is likely to be supplied by the exporting countries of the Danube Basin than was the case last year, but with a smaller crop in North Africa, prospects are that the European and non-European importing countries will absorb all of the quotas(totaling 462,000,000 bushels) allotted the four principal overseas exporting countries at the London Wheat Conference. Russian exports must, of course, be taken account of. Thus far Russian shipments have followed a course very similar to that of last year, exports amounting to nothing

during July and August, and then increasing during the first half of September. Last year net exports from Russia amounted to only 16,457,000 bushels. While they may be somewhat larger during the current season, it does not seem that this will be a year of large Russian exports despite reports of excellent crops from that country. The high yields of this year appear to be primarily in regions not favorably situated for exporting, and furthermore the last year's famine conditions may be expected to result in a more cautious policy in regard to exporting needed cereal supplies.

Governmental aid in removing the pressure of the export surplus from the Pacific Coast markets promises to insure the continuance of materially higher prices in the United States than in world markets throughout most, if not all, of the remainder of the present season. Plans have been worked out to aid in the exporting of wheat from the Pacific Northwest. While there appears to be some surplus of Hard red winter wheat east of the Rocky Mountains available for export, storage facilities are ample for carrying this amount of wheat over into another year, and it is only in the Pacific Northwest that the export surplus has been pressing upon the market and tending to depress prices to an export basis. Prices of wheat futures at Chicago have been somewhat above corresponding futures at Liverpool ever since March. During recent months, Chicago December futures have ranged in the vicinity of 15 to 25 cents a bushel higher than at Liverpool. A spread of more than 25 cents per bushel is not to be expected, however, for as the spread increases to this point, there begins to be danger of imports from Canada and Argentina.

Prices and World Trade

From mid-August through the 23rd of September world wheat prices in terms of gold declined slightly. Liverpool prices of December futures in terms of gold declined from a level of 53 cents on August 15 to 47.2 cents per bushel on September 23. Since there was a decline in the value of the dollar during the period, there was, however, a rise in Liverpool prices when converted at the current exchange rates, the rise being from 70.8 cents on August 15 to 72.8 cents on September 23. Day-to-day fluctuations of prices in terms of gold were very small, but due to uncertainties of the exchanges, prices in terms of United States money showed a larger day-to-day fluctuation.

At Chicago December futures fluctuated through a still wider range. On August 15 they had closed at 95-3/4 cents per bushel, this being the last day on which futures prices at Chicago were subject to a lower limit of that figure. There followed an irregular decline which reached a low closing point on September 9 of 85-1/8 cents per bushel. Prices then rebounded sharply, partly as a result of a marked depreciation of the dollar in foreign exchange, and on September 19 reached a high closing point for the movement of 97-5/8 cents. On the 23rd they closed at 92-1/4 cents per bushel.

The downward course of world market prices since the close of July has probably been due largely to the improvement in prospects for the European crop. Though changes in crop estimates were small, practically all the changes were upward. Forty-one Northern Hemisphere countries are now estimated to have a total wheat crop of 3,001,000,000 bushels for the year compared with 3,228,000,000 bushels in 1932, or a crop of 227,000,000 bushels smaller this year than last. According to estimates carried in last month's World Wheat Prospects, 40 Northern Hemisphere countries were estimated to have a crop 300,000,000 bushels smaller than that of last year.

The French crop is now officially placed at 339,000,000 bushels, or slightly larger than the previous record crop harvested in 1929. Italy is estimated to have a crop about the same as the large crop of last year, while the German crop is officially placed at 193,000,000 bushels which is, like the crop of France, a record harvest. The crop of France slightly exceeds the average domestic disappearance in that country for the 5 years 1926-27 to 1930-31. While the German crop is practically as much as the average disappearance during that period and larger than the average disappearance of the past few years. In view of the reported large carry-over of old crop wheat in France, it is possible that France may have a net export of wheat during the current season, though it is perhaps more likely that both France and Germany will have small net imports. The great bulk of the wheat imports into Europe will no doubt be made by the United Kingdom, while Italy, Belgium, and The Netherlands are the only European countries whose imports can be expected to be in excess of 20,000,000 bushels.

Though the exporting countries of Argentina, Australia, Canada, and the United States have tentatively agreed to keep their export quotas to a figure of not over 462,000,000 bushels during the current season, these exports together with the quota of 50,000,000 bushels from the Danube Basin, and exports from Russia, and North Africa may be expected to yield sufficient supplies to fill importers' requirements. Such a limitation of supplies promises, on the basis of present prospects however, to result in a strengthening of world prices Supplies of wheat from exporting countries will, of course, be considerably dependent upon shipments from Russia. Thus far, these have been extremely small, the highest weekly figure being approximately 1,600,000 bushels. Last year Russian shipments were extremely small during July and August, but during September rose to as high as 2,000,000 bushels in a single week, and averaged 1,362,000 bushels for the month.

During recent weeks total world shipments have been averaging in the vicinity of 10,000,000 bushels weekly, though in August they fell as low as 9,000,000. Last year the level of world shipments during July and August was slightly lower than it has been thus far this year, but during the latter part of September there was a sharp upswing, which brought the levels during late September, October, and November to an average of about 13,000,000 bushels weekly. During July and August no overseas shipments from Danube Basin countries were reported in spite of the much larger crops which those countries have harvested during the current season. Shipments from Australia averaged in the vicinity of 2,000,000 bushels weekly which was slightly higher than last year and Russian shipments were insignificant in both seasons. North American shipments, however, have been much smaller this year than last, while Argentine shipments have been much larger.

Table 1.- Wheat: Price per bushel at specified markets, in terms of United States currency July 8 - September 16, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July 8	98.2	104.7	70.8	57.1	76.1	79.5	167	166	167
15	101.6	113.4	79.8	65.5	80.6	85.0	173	175	174
22	105.6	114.1	75.5	67.8	82.8	84.8	174	184	178
29	89.9	100.4	72.2	62.7	80.6	83.9	172	175	167
Aug. 5	91.7	99.8	72.7	61.3	71.6	80.2	153	170	161
12	94.3	99.6	68.4	58.1	65.7	72.1	154	172	163
19	83.8	90.0	61.8	56.1	71.4	63.7	151	170	172
26	85.6	89.4	62.2	56.4	59.4	61.0	155	175	165
Sept. 2	86.1	88.8	62.1	58.5	65.7	58.7	160	180	168
9	84.2	87.5	62.0	58.8	71.1	57.8	8/164	185	171
16	86.5	89.3	61.8	57.1	74.4				
23	90.5	94.2	62.6						

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday, Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.
1/No. 2 Hard Red Winter. 2/No. 1 Dark Northern Spring. 3/No. 3 Manitoba Northern. 4/Near futures. 5/All sales of imported parcels. 6/Home-grown wheat in England and Wales. 7/Domestic. 8/September 7.

Table 2.- Wheat: Closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
June 26) 3/	60	122	52	116	59	120	55	95	59	92	4/50	4/72
Aug. 25) 3/	50	88	44	83	46	86	48	68	53	69	4/45	4/55
26	58	93	50	88	56	90	51	71	58	74	5/48	5/58
Sept. 1	58	90	51	84	56	86	53	69	59	73	5/49	5/58
9	56	85	50	80	55	82	51	68	60	71	5/49	5/58
16	53	96	47	90	52	92	52	68	57	72	6/46	58

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ High and low for period (June 26 - August 25, 1933) (June 27 - August 26, 1932) 4/ August futures. 5/ October futures 6/ February futures.

Table 3.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St.Louis		Western White Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July 1) 2/	56	108	49	106	65	114	62	120	55	108	58	86
Aug.19) 2/	47	90	43	84	57	90	52	91	47	86	50	71
26	55	90	47	86	58	89	55	103	53	88	53	74
Sept.2	57	89	49	86	61	89	56	102	56	87	53	75
9	56	86	49	84	61	87	55	95	55	86	56	71
16	53	88	46	87	58	89	52	96	52	88	52	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (July 1 - August 19, 1932 and 1933).

Domestic wheat prices on continental European markets during August showed the usual seasonal declines which accompany the start of a new crop season. French prices were unchanged, as a result of the legal minimum already fixed, and German prices, following a decline in the latter part of July, were held steady through Government intervention. Nearly all continental markets reported a quiet business in domestic wheats. The sharp price declines on overseas markets were closely followed by the Rotterdam Futures market, and operated to restrict import buying. The practical self-sufficiency in wheat production attained by certain European countries, has made it very difficult to carry out price-supporting measures, and officials have recently been much more willing to consider some reduction in the wheat acreage. In this connection, a recent article from a high German official calls for a halt in the expansion of the wheat acreage and states that government price support cannot be expected during the 1934-35 season.

Exports of French and German soft wheat during August had a significant effect on the markets. The continental trade feels that these exports combined with a record continental crop this year have contributed to the recent decline in world prices. Prices were also thought to have been influenced by the import restrictions put into effect in Holland and Denmark. Russian wheat, although available, met with very little interest. Toward the latter part of the month, the reduced prices stimulated the purchase of Manitoba wheat by some of the importing countries.

While French and German wheat prices have been quite stable, Polish prices have shown a sharp decline, indicating that government supporting measures in that country were unsuccessful.

The London Wheat Conference

At the London Wheat Conference a formal agreement was reached between the principal exporting and importing countries. This agreement is designed to provide a basis for the limitation of wheat exports during the crop years August to July of 1933-34 and 1934-35, and for a relaxation of wheat import barriers in case there is a substantial improvement in the level of wheat prices in terms of gold. Russia is the only large exporting country which has not complete definite quota commitments as a result of the Wheat Conference.

The importing countries agree not to further encourage any extension of their wheat area, and to adopt "every possible measure to increase the consumption of wheat". They also agree to begin to reduce wheat tariffs whenever the average price of parcels of wheat imported into Great Britain remains for a period of 16 weeks as high as 12 gold francs per quintal (63.02 gold cents per bushel) British Parcels have recently been averaging in the vicinity of 50 cents per bushel in terms of gold cents.

In the main wheat agreement, Argentina, Australia, Canada and the United States agreed to limit exports during the 1934-35 crop year to an amount not exceeding the exportable surplus which would result in case each country has average yields and makes a 15 percent reduction in the area sown. In addition, the four exporting countries of the Danube Basin agreed to export not more than 50,000,000 to 54,000,000 bushels during the 1933-34 season and not more than 50,000,000 bushels in 1934-35.

In the supplementary agreement entered into between Argentina, Australia, Canada, and the United States, however, export quotas for the crop years (August - July) 1933-34 and 1934-35 were tentatively fixed. These quotas together with the average exports (July - June) of the past 5 years are as follows:

Country	Quotas			Actual exports	
	1933-34	1934-35	Average 1933-34 and 1934-35	Average 1928-29 to 1932-33	Average 1930-31 to 1932-33
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Argentina	1/ 110	1/2/ 148	129	155	129
Australia	1/ 105	1/ 150	128	123	148
Canada	3/ 200	3/ 263	3/231	268	245
United States	3/ 47	3/ 90	3/ 68	110	89

1/ In case 1933-34 exports fall below the assigned quota, the 1934-35 quota will be correspondingly increased. 2/ The quota for the two seasons is 258,000,000 bushels instead of 264,000,000 as was erroneously reported in the Departments press release of August 30. 3/ These are minimum quotas, subject to increase if import demand warrants.

It will be noted that the Australian average quota is about the same as the average exports of the past 5 years. The Argentine quota is smaller than the 5-year average, primarily because of the inclusion of the phenomenally large exports of 1928-29 (227,000,000 bushels) in the 5-year average. The quotas of Canada, and the United States are below their average exports of the past 5 years. However, these last are minimum quotas and these two countries are to share equally any increase in exports which may be warranted if the import demand is sufficient.

In case yields are low this season, as now seems likely, and 1934 yields are normal the export quotas allowed Argentina and Australia will be sufficient to dispose of their exportable surpluses without an acreage reduction. If yields should be larger than average in 1934-35, and these countries have not reduced their acreage, they would be obliged to divert the excess production to non-feed uses, since the agreement binds Australia and Argentina not to increase their stocks. In the United States and Canada, with average yields and exports amounting to no more than the minimum quotas, acreage reductions of about 15 percent would be necessary in order to prevent stocks from increasing as a result of the 1934 harvests.

If the exports of the United States and Canada equal their quotas for the current season (1933-34) there is prospect of a marked reduction in wheat stocks. With a carry-over of 386,000,000 bushels and a new crop now estimated at 507,000,000 bushels, the United States is now indicated to have a total supply of 893,000,000 bushels. If prior to July 1, 47,000,000 bushels are exported, and domestic utilization amounts to 610,000,000 bushels, this would leave a carry-over as of July 1 of 236,000,000 bushels.

Since the crop year extends to August 1, however, not all of the 47,000,000 bushels would necessarily have to be exported by July 1 even though the total export quota were used during the year August to July.

Canada, is estimated to have a carry-over of 212,000,000 bushels as of August 1 and a new crop of 283,000,000 bushels, making a total supply of 495,000,000 bushels for the crop year. Subtracting exports of 200,000,000 bushels, and an allowance for domestic utilization of 117,000,000 bushels, would leave a carry-over as of August 1, 1934 of 178,000,000. If the reduction of carry-over should be as indicated above, the United States and Canada would have a year hence a combined carry-over of old wheat nearly 200,000,000 bushels smaller than the carry-over into the current crop year.

Production and Crop Conditions

Most of the changes in crop estimates received during the past month were small, but almost all of them were upward with the result that the total crop in 41 Northern Hemisphere countries is now estimated at 3,001,000,000 bushels compared with 3,228,000,000 last year. Only one country has been added in the past month to the list for which estimates are available, Eritrea, which is estimated to have a crop this year of 90,000 bushels compared with 147,000 last year. Hence the increase from 2,925,000,000 bushels to 3,001,000,000 bushels in the total reported Northern Hemisphere countries has been due to increases in crop estimates.

In the Southern Hemisphere conditions continue to point to less than average yields. While beneficial rains were received in Argentina during September and these greatly benefited the crop, weather through August was very unfavorable and studies of relation between August weather and subsequent yields indicate that such weather conditions tend greatly to reduce the yield. Temperatures were consistently above normal and rainfall very light during August.

The French crop is now officially placed at 339,000,000 bushels, or slightly larger than the previous record crop for the post-war years which was harvested in 1929. Italy is estimated to have a crop about the same as the large crop of last year, while the German production is officially placed at 193,000,000 bushels which is a record harvest. Altogether the importing countries of Europe are indicated to have a crop of only slightly above that of last year, amounting to 1,280,000,000 bushels compared with 1,266,000,000 for 1932. The four countries of the Danube Basin are estimated to have a total production this year of 337,000,000 bushels compared with 234,000,000 last year when their yields were unusually low.

Table 4.-Wheat: Production in specified countries, 1929-30 to 1933-34

Country	1929-30	1930-31	1931-32	1932-33	1933-34, prelim.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	812,573	858,911	900,219	726,283	506,557
Canada	304,520	420,672	321,325	428,514	282,771
Mexico	11,333	11,446	16,226	9,658	11,753
Total	1,128,426	1,291,029	1,237,770	1,164,455	801,081
Europe					
England and Wales	47,451	39,960	35,896	41,253	57,008
Scotland	2,165	2,128	1,792	2,240	1/ 2,800
Northern Ireland	142	171	106	121	1/ 150
Irish Free State	1,184	1,092	781	831	1/ 1,000
Norway	750	720	592	785	2/ 660
Sweden	19,011	20,819	17,033	26,500	27,815
Denmark	11,772	10,216	10,053	10,997	2/ 10,300
Netherlands	5,467	6,056	6,751	12,837	14,190
Belgium	13,225	13,236	13,817	15,376	13,617
France	337,252	228,105	264,117	333,524	338,665
Spain	154,245	146,700	134,427	184,207	131,945
Luxemburg	275	442	406	719	739
Portugal	10,636	13,817	12,999	18,137	14,825
Italy	260,125	210,071	244,415	277,163	3/272,000
Switzerland	4,207	3,605	4,045	4,182	4,813
Germany	123,062	139,217	155,546	183,830	192,689
Austria	11,559	12,608	11,009	15,007	16,094
Czechoslovakia	52,902	50,606	41,232	53,737	65,771
Greece	11,434	9,709	11,228	30,263	28,580
Poland	65,862	82,321	83,220	49,472	68,343
Lithuania	9,329	11,327	8,335	8,120	8,075
Latvia	2,336	4,062	3,338	5,268	5,916
Estonia	1,260	1,635	1,738	2,087	2,094
Finland	765	856	1,121	1,183	1,495
Malta	293	303	277	301	305
Total	1,146,709	1,009,192	1,064,324	1,266,440	1,279,889
Bulgaria	33,195	57,317	63,831	50,353	52,127
Hungary	74,985	84,339	72,550	64,463	90,058
Rumania	99,753	130,771	135,300	55,537	113,904
Yugoslavia	94,999	80,326	98,789	55,444	4/80,800
Total	302,932	352,753	370,470	225,597	336,889
Total Europe	1,449,641	1,361,945	1,434,794	1,490,437	1,616,778
Africa					
Algeria	33,307	32,442	25,649	29,237	27,135
Morocco	31,764	21,302	29,783	27,970	25,286
Tunis	12,309	10,398	13,963	17,453	9,186
Egypt	45,228	39,753	46,073	52,586	39,951
Eritrea	35	44	29	147	90
Total	122,643	103,939	115,497	127,393	101,648

Continued-

Table 4.- Wheat: Production in specified countries, 1929-30 to 1933-34- Cont'd.

Country	1929-30	1930-31	1931-32	1932-33	1933-34 prel.
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Asia					
India	320,768	390,843	347,424	336,896	352,875
Japan	30,496	29,537	30,692	31,336	39,328
Chosen	8,320	8,985	8,341	8,576	8,304
Turkey	99,900	91,322	102,426	69,344	80,835
Total	459,484	520,687	489,083	446,152	481,342
Total 41 count.	3,160,194	3,277,600	3,277,144	3,228,437	3,000,849
Estimated Northern Hemisphere total, excluding Russia and China	3,194,000	3,314,000	3,316,000	3,255,000	.....

Compiled from official sources except as otherwise noted.
1/ Unofficial. 2/Estimated in the Berlin office of the Bureau of Agricultural Economics. 3/Estimated in the Marseille office of the Bureau of Agricultural Economics. 4/Estimated in the Belgrade office of the Bureau of Agricultural Economics.

Europe

The weather over most of Europe has been exceptionally favorable for the grain crops since early in July. As a result, the wheat crop, which earlier in the year was expected to be only a medium one, has shown a tremendous improvement and in some countries will even equal or surpass last year's record production. In addition to the unusually favorable weather, there has been very little disease this year. Weather conditions permitted an early harvest, and the quality of the crop will likely be better than in 1932.

Germany

According to the official August estimate, yields of all crops, except oats, will be above those of last year. Wheat production is placed at 192,689,000 bushels, an increase of about 5 percent over last year's record crop. Total bread grain production is also expected to exceed that of a year ago.

The stand on the higher grounds this year appeared thinner than in 1932 so that production would appear to be about equal to that of last year. The quality of the crop will undoubtedly be better than last year, as a result of the warm dry weather at harvest time. Harvesting was completed earlier than usual.

Austria

Although the season continues to be late, there has been a steady improvement in crop conditions in Austria. Wheat is now estimated at 24 percent above that of 1932, and the production of rye, barley and oats shows increases of 28 percent, 32 percent, and 22 percent respectively.

Due to its varied climate, conditions have not been uniform throughout the country, and in some parts considerable rainfall was experienced during the early part of the harvest season.

France

There is still some difference of opinion regarding the outturn of this year's wheat crop, but the quality, at least, is expected to be better than that of a year ago. The official estimate of this year's crop is 338,665,000 bushels and one of the leading agricultural papers places it at 330,700,000 bushels, but most authorities are agreed on a much lower figure. The entire trade, however, feels that last year's official estimate of 333,524,000 bushels was much too low and that the crop was very close to 370,000,000 bushels. Certainly production was greatly in excess of domestic needs, though, of course, there was a shortage of high grade milling wheats, and with the good crop this year the government is experiencing severe difficulties in carrying out its price-supporting measures.

Harvesting was much earlier than usual and is now practically finished everywhere. Early threshing returns indicate a wide variation in yields, but a crop of good quality everywhere.

The dry weather prevailing during the past several weeks, although favorable to grains, caused a deterioration in root crops and pastures.

Poland

The wheat crop will be much above that of last year, due to the practical absence of rust damage this year. The official estimate of the crop is 68,343,000 bushels compared with 49,472,000 bushels last year. Local damage from thunderstorms and hail has been reported, and numerous complaints of heavy weed growth have been received, but in general, conditions are considered favorable.

Russia

The bulk of cereals were reported to have been harvested by August 20, in the southern regions of Russia, although cutting was very backward in North Caucasus. The total acreage harvest in the Union as of the above date amounted to 153,877,000 acres, which is about 74.4 percent of the cereal acreage to be harvested. A year ago, 140,417,000 acres, or 69 percent of the plan, had been harvested.

Stacking and threshing have shown very slow progress, particularly in North Caucasus, Crimea, and Ukraine. Although the percentage of the cut acreage stacked on August 20, for the above three regions was reported

at 10, 15, and 24 percent respectively, the figure for the Union as a whole is reported at 38.5 percent, which seems rather high in view of the poor performance of the above three important regions. It is now reported that about 28.6 percent of the acreage cut has been threshed. Harvesting work is particularly unsatisfactory in the case of Soviet farms where large losses have already occurred.

The 1933 wheat production in the Danube Basin is estimated by the Danube Basin office as of August 15, 1933, at 328,000,000 bushels. The revised 1932 production amounted to 223,997,000 bushels, and the 5-year average 1927-1931 to 332,615,000 bushels.

Table 5.-Wheat: Estimated acreage for harvest and the forecasts of production in Danube Basin countries in 1933, compared with 1932, and the 5-year average, 1927 to 1931

Country	Acreage harvested			Production		
	Av.1927-1931	1932	1933	Av.1927-1931	1932	1933 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels
Bulgaria	2,824	2/3,077	2/3,002	48,597	50,553	52,400
Hungary	4,052	3,793	2/3,936	81,603	64,463	84,500
Rumania	7,692	7,091	6,919	115,620	55,537	110,200
Yugoslavia	5,068	4,772	5,066	86,795	53,444	80,800
Total	19,636	18,733	18,923	332,615	223,997	327,900

Compiled from official sources except as otherwise noted.
1/ Estimated in the Belgrade office of the Bureau of Agricultural Economics. The estimates for the Danube countries given in Table 4 are official estimates excepting for Yugoslavia.
2/ Area sown.

This year's crop is of excellent quality in all Danube countries, except in Rumania, where wheat of inferior quality, with a large percentage of foreign matter has been produced, which is generally below export grade.

Turkey

The 1933 production of wheat in Turkey is forecasted by the Danube Basin office at 84,500,000 bushels, compared with the official estimate of 80,835,000 bushels and with 69,344,000 bushels produced in 1932, and 79,906,000 bushels, average 1927-1931 production.

The 1933 wheat acreage is estimated at 8,401,000 acres, against 8,555,000 acres harvested in 1932, and 6,662,000 acres, the average wheat acreage for the 5 years 1927 to 1931.

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October 25, 1933

WORLD WHEAT PROSPECTS

Summary

Reports to date indicate that the world wheat crop outside of Russia and China this season will be about 3,500,000,000 bushels, a reduction of 270;000,000 bushels from the crop harvested during the past season. This decrease, however, is offset to some extent by the increase in world stocks. The surplus in four principal exporting countries and the supplies afloat on July 1, 1933 were 84,000,000 bushels greater than on July 1, 1932. Russia may also be expected to export more wheat than during the past season.

Early prospects suggest a crop about equal to last year in Argentina, but a somewhat smaller crop in Australia. Conditions during the balance of the season, however, are important in determining the size of these crops. The second estimate of the area sown in Argentina is 18,903,000 acres compared with the first estimate of 18,285,000 acres and the final estimate of 19,790,000 acres sown in 1932-33. The long period of drought caused much concern and in some parts the crop had reached an almost critical stage, but the abundant rains in September changed the outlook materially. The official report on the crop issued the middle of October stated that the condition of the crop is good and that only local damage had been reported, which has had no effect on the general situation. Conditions in Australia are reported to have improved during the past month, but yields, however, are not expected to equal those obtained last year, especially in New South Wales. Heavy rains have been reported during the current month, but have fallen in the districts least in need of rain which have caused some fears of rust damage.

Prices

In spite of a smaller world crop than that of last year world wheat prices in terms of gold have recently fallen to the lowest point reached during the current depression. This appears to be primarily the result of a large crop harvested in the importing countries of Europe which greatly restricts import demand, especially during the early part of the marketing season. However, the import demand for the year seems likely to be sufficient to readily absorb the quotas allotted in the London Wheat Agreement unless exports from Russia should be unexpectedly large, and some recovery from recently extremely low levels of world wheat prices (in terms of gold) seems likely. In the United States prices are largely dependent upon the foreign exchange value of the dollar and the domestic wheat situation. The governmental aid being given the exporting of wheat in the Pacific Northwest promises to result in United States market prices continuing well above an export basis throughout most of the current season.

World market prices of wheat have been declining fairly steadily ever since mid-July. December futures at Liverpool, when measured in terms of gold, reached a high point of 63 cents a bushel on July 19, and by October 13 they had declined to 41.6 cents. This level is lower than any reached during 1932 or the early months of 1933. The decline has consequently brought prices of wheat at Liverpool, when measured in terms of gold, to the lowest levels in recent history. In terms of United States currency the decline of world market prices since mid-July has been more irregular than in terms of gold, and the decline of prices in the United States has been very irregular.

The shortness of durum wheat supplies has resulted in their prices having risen relative to those of other representative wheats. No. 2 Amber Durum at Minneapolis averaged 100.7 cents per bushel for the week ended October 7 compared with 88.3 cents for No. 1 Dark Northern Spring at the same market. As of October 1 the total durum wheat crop was estimated at 18,519,000 bushels compared with 18,853,000 forecast in July. The preliminary estimate of hard red spring wheat production, on the other hand, was 98,314,000 bushels compared with a July forecast of 93,374,000 bushels.

At Kansas City No. 2 Hard Winter averaged 86.5 cents during the week of October 7. This was nearly as high as No. 1 Dark Northern Spring at Minneapolis and practically on a par with No. 2 Red Winter at St. Louis, which averaged 87.0 cents per bushel. The fact that prices of hard winter wheats at Kansas City are higher than usual relative to soft winter and hard red spring wheats is to be attributed to the very short crop in the southwest. Nevertheless supplies of hard red winter carried over from last season appear to be more than ample to supply needs for the season and a normal carry-over, unless feeding of wheat should again be heavy.

The total crop of the United States is now estimated at 515,000,000 bushels which is about 100,000,000 bushels less than the expected domestic consumption for the season of from 600,000,000 to 625,000,000 bushels. The probable domestic consumption, here given, is based on the assumption that feeding of wheat will not be as large during the current season as it has been in the three previous seasons. If domestic consumption is in excess of the crop by 100,000,000 bushels and net exports amount to 47,000,000 (the allotment under the London Wheat Agreement) our carry-over would be reduced from 386,000,000 bushels as of July 1, 1933 to about 240,000,000 as of July 1, 1934. This latter

would be slightly smaller than the July 1, 1929 carry-over and much less than that of any subsequent year. There is, of course, the possibility that the very short crop of feed grains may result in heavier feeding of wheat than is anticipated and hence in an even greater reduction of the wheat carry-over.

With the total of exports from the Danube Basin and the four principal overseas exporting countries amounting to from 512,000,000 to 516,000,000 bushels, exports from Russia and the minor exporting countries of North Africa and India could be over 80,000,000 bushels without total exports exceeding 600,000,000 bushels, which promises to be the amount of import takings should prices remain as low as they now are. Consequently, it seems likely that some recovery from the extremely low level of wheat prices in terms of gold is to be expected during the coming months unless Russian exports should be larger than last year. There is, of course, the possibility that a material change in the outlook for crops of the Southern Hemisphere or some other difficulties would prevent carrying out the terms of the London Wheat Agreement, but in the absence of such an occurrence some improvement of world prices may be looked for.

Recently Chicago futures have been in the vicinity of 20 cents a bushel (United States currency) higher than Liverpool. Usually when the United States has an exportable surplus of wheat Chicago prices are considerably lower than Liverpool. Although the United States now has an exportable surplus of wheat, the fact that governmental aid is being given exporting in the Pacific Northwest and that the carry-over of wheat will be materially reduced east of the Rockies without any exports, promises to result in United States prices continuing to be well above an export basis throughout most of the current season.

Table 1.-Wheat: Closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July 24) 3/	60	111	52	105	59	109	55	86	61	82	4/ 50	5/ 69
Sept. 22) 3/	51	85	45	80	50	82	47	65	55	69	4/ 47	5/ 55
23	55	92	48	87	53	89	48	66	57	73	6/ 46	59
30	54	90	48	85	52	87	47	61	56	69	6/ 45	58
Oct. 7	50	86	44	82	50	84	46	59	56	66	6/ 44	57
14	48	75	42	70	49	71	46	54	55	59	6/ 44	51

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ High and low for period (July 24-September 22, 1933) (July 25-September 23, 1932). 4/ October and November futures. 5/ October futures. 6/ February futures.

Table 2.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets 1932	All classes and grades six markets 1933	No. 2 Hard Winter Kansas City 1932	No. 2 Hard Winter Kansas City 1933	No. 1 Dr.N.Spring Minneapolis 1932	No. 1 Dr.N.Spring Minneapolis 1933	No. 2 Amber Durum Minneapolis 1932	No. 2 Amber Durum Minneapolis 1933	No. 2 Red Winter St. Louis 1932	No. 2 Red Winter St. Louis 1933	Western White Seattle 1/ 1932	Western White Seattle 1/ 1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July 29 2/	57	97	49	94	61	100	62	105	56	96	58	83
Sept. 16 2/	49	86	46	84	58	87	52	95	49	86	51	71
23	56	93	49	90	59	94	52	105	53	91	52	74
30	55	90	49	88	58	90	54	104	51	89	54	70
Oct. 7	53	88	47	87	56	88	54	101	52	87	53	70
14	51	83	45	81	53	83	51	97	49	84	50	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period(July 29 - September 16, 1932 and 1933).

Table 3.- Wheat: Price per bushel at specified markets, in terms of United States currency August 5, - October 14, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Aug. 5	91.7	99.8	72.7	61.3	71.6	80.2	153	170	161
12	94.3	99.6	68.4	58.1	65.7	72.1	154	172	163
19	83.8	90.0	61.8	56.1	71.4	63.7	151	170	172
26	85.6	89.4	62.2	56.4	59.4	61.0	155	175	165
Sept. 2	86.1	88.8	62.1	58.5	65.7	58.7	160	180	168
9	84.2	87.5	62.0	58.8	71.1	57.8	164	185	171
16	86.5	89.3	61.8	57.1	74.4	58.7	166	183	170
23	90.5	94.2	62.6	60.0	74.5	62.0	180	198	183
30	87.5	90.4	57.6	57.2	70.8	62.4	179	193	179
Oct. 7	86.5	88.3	55.4	55.7			183	199	
14	81.4	83.4	52.7						

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday, Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.
1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/No. 3 Manitoba Northern. 4/ Near futures. 5/All sales of imported parcels. 6/Home-grown wheat in England and Wales. 7/Domestic.

Plan to Export North Pacific Wheat

The Secretary of Agriculture and the North Pacific Emergency Export Association have entered into a marketing agreement for the disposal of the North Pacific wheat surplus. The Association, consisting of certain millers, wheat exporters, and wheat producers in Washington,

Oregon, and northern Idaho, will contract for purchases of wheat from wheat growers and others. The contract price will be basis current market price of No. 1 sacked wheat delivered at Portland or Seattle. The price paid for the grade delivered will be the contract price adjusted by the premiums and discounts or discounts set forth in the agreement.

Sales will be made by either the Association or its members and will be for wheat and flour or flour. Sales may be made for domestic consumption by the Association only and to unemployment relief associations only. All other sales must be in the export trade. Members of the Association making export sales of wheat or flour will bid for association wheat. The bids will include the amount of wheat required for the export sale, the sales price and the net sales price. The sales price for wheat will be the price of No. 2 bulk f. o. b. ship and for flour F. A. S. basis for steamers loading at Portland, Astoria, Tacoma, or Seattle. The net sales price for wheat will be the f. o. b. price less the costs allowed in the agreement, and for flour will be the F. A. S. price adjusted by the schedule of conversion costs in the agreement and converted to terms of wheat.

Bids accepted by the Secretary will be filled by transfer of contracts of purchase from Association to member whose bid was accepted. After wheat has been exported or otherwise disposed of, according to this agreement, the Secretary will pay the Association for the account of the member making the sale, the difference between the net sales price and the purchase price.

This agreement will terminate by order of the Secretary or when the Act authorizing it ceases to be in effect.

Table 4.-Wheat: Production in specified countries, 1929-30 to 1933-34

Country	1929-30	1930-31	1931-32	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States ..	812,573	858,911	900,219	726,283	514,816
Canada	304,520	420,672	321,325	428,514	282,771
Mexico	11,333	11,446	16,226	9,658	11,753
Total (3) ...	1,128,426	1,291,029	1,237,770	1,164,455	809,340
Europe, 29 countries	1,449,641	1,361,945	1,434,794	1,489,613	1,638,020
Africa, 5 "	122,643	103,939	115,497	127,393	103,368
Asia, 4 "	459,484	520,687	489,083	446,152	481,342
Total, 41 countries ..	3,160,194	3,277,600	3,277,144	3,227,613	3,032,070

The Continental European Wheat Outlook for 1933-34 1/

Continental wheat markets have been very dull as a result of a continental wheat crop equal to that of last year together with a larger than usual carry-over in many of the more important countries. The very presence of these large supplies of wheat, however, contributed to the success of the International Wheat Agreement, the completion of which probably marked the turning point in the expansion of wheat acreage on the Continent. The last few years have witnessed a race among nearly all the continental countries to become self-sufficient in the production of bread grain. With the inauguration of the 1933-34 season, additional import restrictions and price-supporting measures became necessary, due, of course, to the favorable crops. Prominent among these measures are the establishment of minimum prices in both France and Germany, and the imposition of import duties on grain entering the former free-trade countries of Holland and Belgium. Many other countries also found it necessary to introduce additional measures for the protection of their domestic producers, and trade in wheat on the Continent has for the time being resolved itself largely into international agreements permitting the exchange of wheat for other products. No country wishes to show even a temporary import deficit. The larger countries have been activated in their expansion of wheat production not only by the necessity of conserving foreign exchange but also by motives of national self-sufficiency in food production in the event of war.

The drastic decline in industrial activity and the consequent unemployment and dissatisfaction among the laboring classes compelled governments to turn to the basic industry of agriculture for political support, and most of the relief measures enacted in recent years have been directed toward the improvement of the farmer's welfare. Through high duties and the regulation of milling practices it was not difficult to maintain domestic prices at levels far above world prices. In 1932, however, and again in 1933, the larger European countries, and the ones that ordinarily import the most wheat, became practically self-sufficient in the production of wheat. As a result, it became increasingly difficult to maintain domestic prices, and by the time the final meeting of the Wheat Conference was held, many continental countries were more than willing to become parties to the Agreement. Had the 1933 crops in countries like Germany and France not exceeded domestic requirements, it seems quite probable that the participation of these countries in the Wheat Agreement would have been more difficult to obtain. After years of advocating self-sufficiency it will undoubtedly take some time for the governments to publicly reverse their stand, but many of them are already quietly preparing the ground for an eventual reduction in wheat acreage. In any case, the peak of acreage expansion on the Continent seems to have been reached, and a gradual decline, together with an equally gradual easing of import restrictions may be expected to follow. Such action would be immensely aided by a satisfactory agreement on disarmament.

Even though no perceptible reduction in the wheat acreage on the Continent occurs during the next year, it is more than likely that total production will be considerably below that of the past 2 years. Assuming an acreage equal to that harvested in 1933, a yield equal to the average for the years 1928 to 1932 would produce a crop about 10 percent below that harvested this year. The exceptionally favorable weather experienced

1/Based on report of Assistant Agricultural Commissioner Donald F. Christy, Berlin, Germany, October 9, 1933.

during July and the first half of August 1933 will not likely occur again in many years.

The most difficult problem facing the continental countries at this time is the disposal of domestic wheat that cannot be absorbed by the domestic milling industry. The German Government has partially solved the problem through the introduction of an exchange system permitting the importation of the more desirable foreign wheats to the extent of the exports of domestic wheat. Since, however, it has been very difficult to find a market for the German wheats, it appears that the mills will also have some difficulty in obtaining the desired quantities of foreign wheats. Holland's solution of the problem has been to require the denaturing of all soft wheat imports, thus conserving for domestic producers the Dutch market for soft milling wheats. France undoubtedly faces the most serious difficulties as it has not only a quantitative surplus from this year's crop, but also a burdensome carry-over from last year. The maintenance of the guaranteed minimum wheat prices has been beset with many difficulties and has resulted in lowering the prices of all other grains since farmers must offer inducements to prospective buyers in order to dispose of their wheat, The Government has also established an export bounty on wheat, but this has only antagonized other countries and resulted in a further increase in import restrictions in those countries.

Probably the most interesting development in recent months has been the German Government's action in taking over complete control of agriculture, including production, marketing, processing and price regulation. Such control, however, in itself places the Government in a better position to cooperate with other countries.

Production

According to preliminary estimates the continental wheat crop in 1933 was practically equal to the record crop of the previous year. Although part of the increased production in recent years has been due to an expansion in acreage, the record crops of the past 2 years have been largely the result of yields much above average. As late as the first week in July it appeared that the wheat crop this year would fall considerably short of that harvested in 1932. During the following 6 weeks, however, the weather over most of the Continent was almost ideal for the maturing of the crop. It is true, yields were lower in the Scandinavian and Baltic countries and also in Spain and Portugal, but in Germany, France, Poland, Czechoslovakia and other countries the 1933 yields appear to be much above those of last year. The quality of the 1933 crop is also generally far above average. There is some doubt concerning the yields in France, however, as it is now generally considered that the Government underestimated the 1932 crop by nearly 40,000,000 bushels.

Present indications are that the wheat production in the 19 continental European countries this year will total 1,220,000,000 bushels compared to 1,223,000,000 bushels harvested in 1932, and 1,063,000,000 bushels, the average production for the years 1928 to 1932, according to estimates of the Berlin office. The Belgrade office of the Bureau of Agricultural Economics estimated production in the four Danubian countries at 328,000,000 bushels compared with 224,000,000 bushels in 1932.

Data on fall sowings this year are not yet available, but in Germany the August intentions to plant indicated a probable decrease in acreage. Those countries that are parties to the Wheat Agreement are naturally obligated to at least prevent any further expansion in acreage, and while no active steps toward reducing acreage have been taken, the attitude of the Governments in the more important countries is strongly in favor of some reduction in the wheat acreage this coming year. Political considerations prevent the forced reduction of acreage at this time.

The exceptional yields obtained during the past 2 years were due almost entirely to very favorable weather conditions which are not likely to be experienced again for some time. Therefore, even though no reduction in acreage occurs during the coming year, production on the basis of average yields during the 5 years 1928-1932 would be about 10 percent less than that of 1933.

Soviet Russia

Despite the reported difficulties encountered from sowing time on and culminating in the transportation difficulties at harvest time, it appears that the Russian grain crop this year is the most satisfactory since 1930. Nevertheless, there continues to be a shortage of food in many parts of the country, and exports of wheat made with the aim of obtaining foreign exchange, ignore the internal requirements of the country. While the position of the general public, therefore, shows little change, the position of the Government seems to have improved. Harvesting has been backward in North Caucasus, but for the country as a whole grain procuring is reported to have progressed at a much more satisfactory rate than was the case during the past 2 years. Procurings have improved not only as a result of the larger crop this year, but also because of the newly introduced taxes in kind. On September 20, this year, it was reported that 60 percent of the grain tax had been delivered to the Government, and several of the smaller regions had paid their taxes in full. On the same date in 1932, the procuring plan was only 29.6 percent complete.

Despite the more favorable crop prospects and larger procurings reported for this year, it is not expected that exports of grain, nor of wheat alone, will be as large as in 1931-32. For one thing, the internal needs of the country, due to depleted stocks, are greater than at that time. In order to meet its foreign obligations Russia will undoubtedly export some wheat and other grains. The available markets for this grain, however, are much more limited than was formerly the case. The largest prospective market is, of course, England, but since the Ottawa agreement Russia dare not force its grain on to the British market since the resulting objections from Canada would no doubt force England to take some action toward restricting not only Russian grain imports but lumber imports as well. The Dutch Government's recent prohibition of Russian grain is also a serious blow though it is generally thought that this was done to force Russia to purchase more Dutch products.

As nearly as can be determined it appears that the Government plans to obtain about 27,600,000 short tons of grain in the form of taxes this year. Procurings in 1930, when the crop was probably somewhat larger than this year's, amounted to 24,400,000 short tons. In 1930, however, the old system of planned procurings was in effect. The table below shows the procurings actually reported for 1930-31 and 1931-32, together with our estimates of the procurings last year and the planned taxes for the present year.

Crop year	Total Procurings
	1,000 short tons
1930-31	24,400
1931-32	25,200
1932-33	1/ 22,000
1933-34	1/ 27,600

1/ Estimated by the Berlin Office of the Bureau of Agricultural Economics.

The originally planned procurings for last year, including the milling tax, were apparently placed at about 25,100,000 short tons, and in January of this year were reported to be 97 percent complete. Various statements, however, indicate that the original plan underwent considerable downward revision as the season progressed, and we are placing the actual procurings last year at not over 22,000,000 short tons. The planned volume of grain taxes for this year has not been officially announced, but based on the acreage planted last fall and the planned acreage for sowing last spring, it would appear that the Government expects to obtain about 27,600,000 short tons of grain. This figure is arrived at by multiplying the above acreage in each of the regions by the announced taxes per hectare in the respective regions. This gives a total of about 22,200,000 short tons to be obtained from the collectives and individual peasants. The final plan for Soviet farms is 2,800,000 short tons, and the milling tax is placed at 2,500,000 short tons, making a total of 27,400,000 short tons. While the government grain collections have progressed much more favorably than last year, it is very doubtful that the above amount will be obtained. Strangely enough, the grain deliveries of the collectives and individual peasants have been much more satisfactory than those of the Soviet farms.

Official estimates of the crop outturn for 1933 are not yet available, and private reports have been widely at variance. It now seems reasonably certain, however, that this year's harvest was somewhere near average and considerably above the crops of the past 2 years. Soviet reports of a record crop are undoubtedly exaggerated as yields in parts of North Caucasus and the Volga regions are known to have been disappointing and, in addition, this year's acreage was the smallest in several years.

In the following table a comparison of acreage and production for the past 4 years is given. Due to the lack of official data, the average yields for 1932 and for 1933 are estimates of this office, based on a study of weather conditions and private reports and must, therefore, be considered as rough estimates only.

Table 5.-Russia: Area, yield per acre, and production of wheat, 1930-1933

Year	Area	Yield per acre	Production
	1,000 acres	Bushels	1,000 bushels
1930	1/ 80,490	12.3	1/ 989,161
1931	2/ 92,066	8.5	3/ 786,000
1932	2/ 85,497	8.5-9.2	4/ 725,000 to 785,000
1933	5/ 79,800	11.2-12.0	4/ 890,000 " 955,000

1/ "Economics of USSR", Yearbook 1932.
2/ Harvested acreage, data of the Commissariat of Agriculture as given to Schiller, German Agricultural Commissioner in Moscow.
3/ Dr. Otto Schiller, "Die Krise der sozialistischen Landwirtschaft in der Sowjetunion, Berlin, 1933."
4/ Estimated by the Berlin office of the Bureau of Agricultural Economics.
5/ Winter wheat acreage as reported by the International Institute plus 90 percent of planned acreage of spring wheat.

Markets

Germany

The outstanding development in German agriculture was the recent passage of laws giving the government full control of agriculture. This control extends not only to production, but to marketing, processing and price-fixing as well. These laws have already culminated in government regulation of mills, in the fixing of minimum prices for wheat and rye, and in the abolition of futures trading. As late as August 1933 the government was opposed to price-fixing, but with a tremendous crop to dispose of it became evident that mere governmental support of the market would be extremely expensive. The minimum prices went into effect on the 1st of October. The fixed prices and the abolition of futures markets have created much confusion among the trade, and it will probably be some time before business will return to anything approaching normal.

The minimum prices established are not considered entirely satisfactory by farmers, but the government felt that the present large crop did not justify higher limits. The present system of fixed prices is supposedly for this crop year only, and officials hope that by next year production will be sufficiently reduced to bring about satisfactory prices without artificial fixation. With this in mind, the announcement of the fixed prices was accompanied by a request

that farmers reduce their wheat acreage for next year, but no means of enforcing a reduction have been adopted as yet.

Despite the large crop harvested last year, net imports of wheat amounted to 12,895,000 bushels. The utilization of wheat during the 1932-33 season appears to have been about 187,000,000 bushels compared to only 176,000,000 bushels in the previous year. This increased utilization was due entirely to the growing use of wheat for feeding purposes, as human consumption is believed to have fallen to some extent. A smaller potato crop this year will likely cause an increase in the feeding of domestic grains, particularly wheat and barley. Practically no net imports are expected during the present season as this year's crop is quantitatively larger than domestic requirements. Imports will probably be limited to hard wheats in exchange for exports of German soft wheats, but the markets for these German wheats has so far been very disappointing.

France

The harvesting of two large crops in succession has brought France very close to the point of self-sufficiency in wheat production. It is now generally recognized that the official estimate for last year is at least 10 percent too low. The large carry-over from last year's crop added to the prospective large crop this year, caused a sharp drop in wheat prices which reached their low point in June 1933 when wheat at Paris sold for $1.10 per bushel compared to $1.82 per bushel the year previous. This fall in prices occurred despite numerous supporting measures undertaken by the government. As a result, a law was passed effective July 15, 1933, fixing a minimum price for wheat during the 1933-34 crop season and providing for an export bounty. Additional measures include the promotion of wheat feeding through denaturing, and the reduction of the milling extraction for wheat flour. Through this latter action the government hopes to dispose of an additional 25,000,000 to 30,000,000 bushels and at the same time to increase the quality of the bread. Unless considerable amounts of hard wheat are brought in, however, the bread quality will continue to suffer.

The establishment of minimum prices has produced a serious derangement of the markets. Farmers find it impossible to dispose of their wheat unless they offer buyers inducements in the form of other grains at very low prices, and there is much dissatisfaction on the part of both producers and the trade.

French authorities have been talking of an export surplus, but it should be kept in mind that the French consider imports from North Africa as domestic wheat. This office has always included North African wheats along with the other wheats imported. Even so, it appears that there will be little, if any, net imports of wheat into France this year.

Holland and Belgium

The import requirements of both Holland and Belgium this season are expected to be smaller than last year. The 1933 wheat crops in these two countries do not greatly differ from those of 1932, but recent measures for the protection of domestic producers will undoubtedly curtail imports.

Both these former free-trade countries have recently imposed import duties on grain. In Belgium, the proceeds of the duties are to be distributed to farmers in the form of premiums. There is little or no incentive to increase acreage as the payments to farmers are limited to the proceeds of the import duties. Increased domestic production would decrease imports and thus decrease the amount of money available for benefit payments. In Holland, the establishment of a virtual grain import monopoly is one more step toward complete government control of agriculture. Import duties have been placed on all grains, and the importation of soft wheats similar to those grown in Holland is prohibited unless the wheat is denatured, thus making it fit only for feed. In special cases, however, mills may get permission for the importation of desirable qualities of foreign soft wheats.

Czechoslovakia

Imports of wheat into Czechoslovakia during the 1933-34 season will be sharply reduced as a result of the large wheat crop harvested this year. The unexpectedly high production this year has resulted in a sharp drop in prices and has created much dissatisfaction on the part of growers. This compelled the government to prolong the Grain Syndicate which has control over the grain imports. In addition, the government expects to make supporting purchases to the extent of, possibly, 7,000,000 bushels, the funds for which have already been placed at the disposal of the government. The rules and regulations of produce exchanges have also been revised and grain contracts must now be registered.

Full protection for the farmers is very difficult as the government is compelled to accept certain foreign agricultural products as a means of promoting Czechoslovakian industrial exports.

Austria

Austria also experienced a very good harvest in 1933 which far exceeds the relatively favorable crop of 1932. Net imports for the 1933-34 season are now estimated at 9,000,000 to 13,000,000 bushels, as compared with net imports last year of 13,000,000 bushels and of 15,000,000 bushels in 1931-32. Recent reports indicate that very little, if any, overseas wheat will be imported in 1933-34 as Austria has granted preferential import contingents of wheat to Hungary and Yugoslavia on the basis of 1933 trade treaties. These contingents were fixed at a time when a lower domestic crop outturn was assumed.

Prices at the beginning of the year and well into the summer were rather satisfactory, but declined sharply at harvest time, so that the government felt compelled to increase the import tariff, which now amounts to $1.12 per bushel at par and $1.30 at exchange on October 17.

Poland

In recent years it has become increasingly doubtful that Poland can still be counted among the so-called "deficit" countries of the European Continent. As a matter of fact, production of wheat has increased so rapidly in the past several years that net imports have been unnecessary since the beginning of 1929-30. Since that time Poland has had a net export surplus of wheat, and even in the year 1932-33 when only a very low crop was harvested, a net export of 1,281,000 bushels resulted, due probably to the heavy carry-over which existed at the beginning of that season.

These developments were brought about through the export promoting measures taken by the Polish Government in recent years, and it is likely that Poland will again be an exporter of wheat this season. We estimate these net exports at about 1,800,000 bushels though this figure may be exceeded if the crop turns out better than now reported.

During the first part of 1933 and up to the time of harvest, prices for wheat were comparatively satisfactory, as a result of the small supplies available in the country following the 1932 crop failure. However, at harvest time this year a sharp decline in prices occurred in all Polish grain markets arousing much apprehension among farmers and government circles. Measures taken to assist agriculture include direct grain market support and the renewed payment of export premiums for agricultural products. The new premiums were placed in effect on August 1, 1933, and amount to $0.18 per bushel for wheat, $0.17 for rye and $0.15 for barley, and to $0.51 per 100 pounds for pure flour, (conversions at par). Freight rate reductions which have been always granted for the promotion of domestic trading and for exports of grain, will also continue in 1933-34. It is somewhat doubtful that government funds are sufficient to provide the necessary market support.

Table 6.-Wheat, including flour: Shipments from principal exporting countries as given by current trade sources, 1931-32, 1932-33 and July 1-October 14, 1932 and 1933

Country	Total shipments		Shipments, weeks ended			Shipments July 1-Oct. 14	
	1931-32	1932-33	Sept. 30	Oct. 7	Oct. 14	1932	1933
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	333,638	298,514	4,416	5,031	5,251	91,928	62,474
Canada, 4 markets 2/ .	206,258	289,257	8,821	5,812	7,057	115,121	75,673
United States 3/	135,797	41,211	155	170	210	16,127	4,328
Argentina	144,572	115,412	1,281	815	1,259	11,352	40,567
Australia	163,004	153,400	2,021	1,309	800	24,136	27,286
Russia 4/	71,664	17,408	1,040	1,088	1,120	7,872	8,072
Danube & Bulgaria 4/ .	39,280	1,704	0	744	384	512	2,136
British India	3/ 2,913	3/ 869	0	0	0	0	0
Total 5/	755,071	587,307	8,758	8,987	8,814	135,800	140,535
Total European shipments 1/	597,976	442,252	8,168			6/94,600	6/105,416
Total ex-European shipments 1/	194,464	164,455	1,752			6/27,712	6/25,448

Division of Statistical and Historical Research. Compiled from official and trade sources. 1/ Broomhall's Corn Trade News. 2/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster. 3/ Official. 4/ Black Sea shipments only. 5/ Total of trade figures includes North America as reported by Broomhall's. 6/ To September 30.

Table 7.-Wheat: Area 1/ in specified countries, 1921-22 to 1933-34

Crop year	United States	Canada, Argentina and Australia	Europe, excluding Russia: Lower Danube	Europe, excluding Russia: Other Europe	Russia	Others, excluding China	World total excluding Russia and China
	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres	Million acres
1921-22		47.2	15.0	49.2	38.4	48.7	4/(227.1)
1922-23		48.4	16.1	49.1	22.3	51.3	4/(232.1)
1923-24		48.6	16.2	49.9	39.2	55.3	4/(234.0)
1924-25		50.7	18.1	49.3	52.7	53.8	4/(227.6)
1925-26		50.2	18.5	50.8	61.8	58.1	4/(239.1)
1926-27	61.0	53.9	18.7	51.3	73.3	58.2	243.1
1927-28	65.6	55.4	18.9	52.4	77.4	56.0	248.3
1928-29	71.0	61.7	19.6	51.8	68.5	59.5	263.6
1929-30	66.2	60.7	18.4	51.7	73.5	58.9	255.9
1930-31	65.9	64.3	20.0	53.7	80.5	58.8	262.7
1931-32	63.9	58.2	20.9	55.0	92.1	62.2	260.2
1932-33 2/	62.7	62.1	18.8	56.4	85.5	63.5	263.5
1933-34 2/	63.9	59.4	18.9	57.3	3/(79.8)	62.9	262.4

1/ All figures are harvested areas except in the case of United States and Argentina for which the area sown is used.
2/ Preliminary.
3/ Based on reported winter acreage and unofficial estimate of spring acreage.
4/ Rough estimate.

Table 8.-Wheat: World supply, price and disappearance, 1921-22 to 1933-34

Year	Production: United States	Production: Canada	Production: Argentina	Production: Australia	Production: Europe 1/	Production: All other 2/	Production: World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22	819	301	191	129	1,224	515	3,179
1922-23	847	400	196	109	1,045	606	3,203
1923-24	759	474	248	125	1,257	656	3,519
1924-25	840	262	191	165	1,058	610	3,126
1925-26	669	395	191	115	1,397	613	3,380
1926-27	834	407	230	161	1,216	647	3,495
1927-28	875	480	282	118	1,274	642	3,671
1928-29	926	567	349	160	1,410	594	4,006
1929-30 3/	813	305	163	127	1,450	702	3,560
1930-31 3/	859	421	232	214	1,362	728	3,816
1931-32 3/	900	321	220	191	1,435	723	3,790
1932-33 3/	726	429	235	216	1,490	674	3,770
1933-34 3/	515	283			1,638		

Year	Shipments from Russia	Stocks accounted for July 1 4/	Total supply	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents
1921-22	5/	309	3,488	3,195		120
1922-23	7	293	3,503	3,191	136	113
1923-24	21	312	3,852	3,505	121	105
1924-25	6/	347	3,473	3,191	179	135
1925-26	27	282	3,689	3,401	170	163
1926-27	49	288	3,832	3,496	164	135
1927-28	5	336	4,012	3,590	154	135
1928-29	6/	422	4,428	3,811	129	112
1929-30 3/	7	617	4,184	3,601	131	120
1930-31 3/	112	583	4,511	3,845	80	76
1931-32 3/	72	666	4,528	3,830	59	47
1932-33 3/	19	698	4,487	3,705	54	51
1933-34 3/		782				

1/ Excludes Russia. 2/ Excludes Russia and China.
3/ Preliminary. 4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia and Canada, the United Kingdom port stocks and supplies afloat. 5/ Not available. 6/ Less than 500,000 bushels.

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November 29, 1933

WORLD WHEAT PROSPECTS

Summary

The 1933-34 world wheat crop is now indicated to be about 220,000,000 bushels smaller than last year in the world outside Russia and China, according to the United States Bureau of Agricultural Economics. Shipments from Russia to date this year have been but little larger than during the corresponding period of last year, and it does not seem likely that the total shipments for the year will greatly exceed last year's shipments. Consequently the new crop plus shipments from Russia and accounted for stocks as of July 1 may be estimated to be 4,380,000,000 bushels compared with 4,487,000,000 for last year.

World shipments of wheat to date this season have been somewhat smaller than last year, being somewhat larger from July to mid-September, but smaller subsequently than in the corresponding period of last year. Thus far shipments have shown no tendency to increase above the level of approximately 10,000,000 bushels weekly. A moderate increase seems likely later in the season as supplies from the record crop in Europe are reduced. In the event of such an increase resulting from improved import demand rather than from distress selling of exporters, some improvement in the level of world prices seems likely. European import markets during the past month have been subject to the depressing effect of exports of soft wheat from continental countries, especially Germany and France. The increase in the estimate of the Italian crop, together with an announcement of a complete prohibition of the use of foreign wheat in that country, makes it appear unlikely that any material amount of wheat will be imported by that country for the 1933-34 crop year.

Prices in world markets thus far have shown no sustained improvement from last year's levels as a result of the smaller world supplies. At Liverpool prices reached their highest point for the season in July, December futures averaging about 60 cents per bushel in terms of gold during that month. From mid-July to mid-October they declined rather steadily and since the latter date have been fluctuating in the vicinity of 40 to 45 cents per bushel in terms of gold. This is lower than any level reached during last season, and indeed lower than wheat has ever been before at Liverpool in modern history.

In the United States, on the other hand, there has been a marked improvement in prices. This has been due in part to the fact that United States prices are measured in terms of a currency which has depreciated in relation to foreign currencies during the past few months, and in part to the improvement of United States prices relative to those of world markets. At Kansas City, No. 2 Hard Winter wheat, which averaged only 45.2 cents in October 1932, averaged 83.0 cents in October of this year. Even when measured in terms of gold, No. 2 Hard Winter was above its price of last year, averaging 55.8 cents in October 1933, compared with 45.2 cents a year earlier.

World Trade

World shipments of wheat thus far during the current season have averaged about 10,000,000 bushels weekly. During July, August and September this was above the level which prevailed last year, but in 1932 there was a marked increase in shipments during September, and, for the months of October and November, they averaged about 13,000,000 bushels weekly. Total shipments, as compiled from trade sources, amounted for the entire 1932-33 season to slightly over 600,000,000 bushels, and averaged a little more than 11,600,000 bushels weekly. Due to the larger crops harvested in Europe this year and the continued severe restrictions on the importations of wheat, it is likely that total imports, and hence total shipments from the exporting countries will be lower than they were last year. Thus far this season shipments to ex-European countries have been below their level of last year, but while the total for the year may be somewhat smaller, no great reduction seems likely. European takings, however, may be expected to total about 50,000,000 bushels less than last year.

According to the terms of the London Wheat Agreement, the quotas allowed the United States, Argentina, Canada and the Danubian countries for the current season total 516,000,000 bushels. Russia is the only other country which might have large net exports. Thus far during the current season, Russian exports have been but little larger than last year, and since they totaled only 19,000,000 bushels for last year, 30,000,000 bushels appears to be a liberal allowance for the current season. Consequently, it appears that the quotas allotted under the London Wheat Agreement, together with what appears to be a reasonable figure for Russian exports, will amount to nearly 550,000,000 bushels. This would be an average of slightly over 10,500,000 bushels weekly.

In view of the fact that the crops of European countries were unusually large in 1933, small import takings were to be expected while large supplies of domestic grain pressed upon the market. This tendency was particularly noticeable last year when the production of the importing countries of Europe was almost as large as in the current season. Import takings were very small during July and August, but they then rose markedly in September and remained at a much higher level throughout most of the remainder of the season. Nevertheless, it is to be borne in mind that in 1929-30, the previous record year for production in the importing countries, there was no such increase in levels of world shipments as the year progressed. Instead there was a slight downward trend from an average of around 13,000,000 bushels weekly early in the season to an average of around 11,000,000 bushels weekly during the latter part of the crop year.

There are a number of factors which suggest that the course of import takings during the present season is more likely to be similar to that of 1932-33 than to that of 1929-30. During 1929-30 import restrictions were being drastically increased. As these were increased, they tended to restrict imports to lower and lower levels. Furthermore, the anticipation of restrictions probably led to larger imports earlier in the season than would otherwise have been made. Generally speaking, the import restrictions became more drastic as the year 1930 progressed, while in more recent years there has been a tendency for a seasonal relaxation of import and milling quotas so that larger amounts of foreign wheat are admitted into the countries of continental Europe during the latter part of the season.

Altogether prospects appear to be favorable for some increase in import takings and hence in world shipments of wheat during the latter part of the season.

Crop Prospects

Wheat

Present estimates of the 1933-34 wheat production indicate a world crop, excluding Russia and China, about 220,000,000 bushels less than last year. The indicated total is higher than was reported a month ago due to increases in the estimates for several of the European countries. Estimates of the 1933-34 wheat production in 42 Northern Hemisphere countries, which include practically all of the Northern Hemisphere wheat crop outside of Russia and China, total 3,079,219,000 bushels compared with 3,239,114,000 bushels in the same countries last year. In the Southern Hemisphere the Australian crop has been officially estimated at 160,000,000 bushels compared with 212,000,000 bushels in 1932-33.

Unofficial estimates, however, are as low as 144,000,000 bushels. An official estimate of the Argentine crop is not available but weather conditions up to November 1 indicate a slightly higher yield per acre than was obtained last year.

The official estimate of the Canadian wheat crop issued November 10 is 271,821,000 bushels, compared with the previous estimate of 282,771,000 bushels and 428,514,000 bushels produced in 1932.

The total European wheat crop excluding Russia is now reported at 1,684,115,000 bushels compared with 1,490,732,000 last year. This increase in production is also accompanied by an increase in carry-over at the end of the 1932-33 crop year. Official estimates of the Russian crops are not available since 1931 and private reports have varied widely. The present crop, however, is believed to be the best since the 1930 crop which was estimated at 989,000,000 bushels. A rough estimate of the present crop based on weather conditions and private reports places the production between 890,000,000 to 955,000,000 bushels, according to the Berlin office of the Bureau of Agricultural Economics. The total production in the four exporting countries of the Danube Basin has been officially estimated at 361,014,000 bushels compared with 223,997,000 bushels in 1932. The Belgrade office of the Bureau of Agricultural Economics, however, believes that the total production during the current year was about 328,000,000 bushels. Production in the countries which are normally the importing countries is 56,000,000 bushels greater than in 1932. The first official estimate of the production in Italy is 297,621,000 bushels, compared with 277,163,000 bushels in 1932, and indicates the largest crop ever harvested in that country. The quality of the 1933 European wheat crop is generally above average.

No important changes have been reported in the estimates of the North African or Asiatic countries during the past month. Considerable interest now attaches to winter wheat conditions in the United States. Over large areas of the Great Plains, the crop was planted under unfavorable moisture conditions, and dry weather continued to hamper the growth of the crop. Late in November rain was quite generally needed over the central and western portions of the wheat growing area, including the Rocky Mountain districts. In Kansas winter wheat was in good condition in the eastern third of the State but only poor to fair elsewhere.

Rye

The 1933 European rye crop exclusive of Russia is indicated to be the largest on record. The estimates for the 23 countries for which reports are available total 968,320,000 bushels compared with 923,907,000 bushels in the same countries in 1932. The German crop is estimated at 343,563,000 bushels compared with 329,255,000 bushels in 1932. In Poland the crop is estimated at 251,565,000 bushels compared with 240,556,000 bushels last year.

Table 1.- Wheat and rye: Production in specified countries, 1930-31 to 1933-34

Country 1/	1930-31	1931-32	1932-33	1933-34
	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.
WHEAT				
United States	858,911	900,219	726,283	514,816
Canada	420,672	321,325	428,514	271,821
Mexico	11,446	16,226	9,658	11,753
Total (3)	1,291,029	1,237,770	1,164,455	798,390
Europe:				
Danube countries (4)	352,753	370,470	223,997	361,014
Other countries (25)	1,009,192	1,064,324	1,266,735	1,323,101
Total Europe (29)	1,361,945	1,434,794	1,490,732	1,684,115
North Africa (5)	103,939	115,497	127,393	103,368
Asia (5)	540,065	503,292	456,534	493,346
Total (42)	3,296,978	3,291,353	3,239,114	3,079,219
Australia	213,594	190,612	212,398	160,000
Union of South Africa	9,297	13,713	10,627	9,440
Total (44)	3,519,869	3,495,678	3,462,139	3,248,659
Estimated world total, excluding Russia and China	3,817,000	3,790,000	3,771,000	3,550,000
RYE				
United States	46,275	32,290	40,409	23,116
Canada	22,018	5,322	8,938	4,725
Europe (23)	912,061	766,987	923,907	968,320
Turkey	12,188	13,960	7,803	9,842
Total (26)	992,542	818,559	981,057	1,006,003
Estimated world total, excluding Russia and China	1,012,000	840,000	1,007,000	

1/ Figures in parenthesis indicate the number of countries included.

Wheat Production and Utilization in Italy

The first official estimate of the 1933 wheat production in Italy is 297,621,000 bushels, according to a cable from the International Institute of Agriculture. This is the largest wheat crop ever produced in Italy. It is 7 percent above the 1932 crop of 277,163,000 bushels and is 22 percent above the average production of 244,074,000 bushels during the past 5 years. The total amount of wheat available for consumption in Italy, production plus net imports, averaged 296,765,000 bushels during the period 1928-29 to 1932-33.

The following table shows the area, production, and net imports of wheat into Italy since 1928-29.

Crop year	Area	Production	Net imports wheat and flour
	1,000 acres	1,000 bushels	1,000 bushels
1928-29	12,263	228,598	89,747
1929-30	11,794	260,125	43,427
1930-31	11,917	210,071	83,579
1931-32	11,883	244,415	33,485
1932-33	12,236	277,163	13,214
1933-34	12,568	297,621	

It will be seen that the production plus net imports for recent years differs but little from the total Italian crop for the current season. The average total utilization of wheat for the years 1926-27 to 1930-31 was 301,000,000 bushels compared with the current crop of 298,000,000. As a result, no doubt, of this fact, a complete prohibition of the use of imported wheat in Italy was announced on November 21 by Premier Mussolini.

While the large production for the current year is in part due to the unusually high yields, it is significant that there has been an upward trend in both acreage and average yields per acre following the inauguration of Italy's policy of stimulating wheat production in 1925. Consequently, though it is not to be expected that Italy will import no wheat in future years, it is expected that her wheat imports will average much smaller in the future than they have in the past.

Prices

Wheat prices at Liverpool and other world markets continue under the influence of large supplies in exporting countries and very restricted takings by importing countries, but the gradual decline in Liverpool prices (in terms of gold) which had been underway since mid-July was apparently arrested in mid-October. Wheat price fluctuations in the United States during October and early November were, in part, associated with the changing value of the dollar in terms of gold. Wheat prices, however, showed much wider fluctuations than did the value of the dollar. The precipitous decline was apparently stopped and the subsequent rise initiated as a result of purchases for the account of the Federal Emergency Relief Corporation on October 16, and similar purchases have subsequently been a factor in the market at times. Plans for aiding exports from the Pacific Northwest have been placed in operation, and substantial exports are reported to have been made.

At Chicago, December futures were ranging close to 90 cents per bushel late in September and during the first few days of October. During the second week of October they plunged rapidly and on the 16th closed at 69-7/8 cents per bushel, the lowest closing level since April. Prices immediately rebounded, however, and within a week the closing level of December futures was fluctuatin between 85 and 90 cents per bushel. Late in October they began to decline somewhat and on November 24 closed at 85-1/8 cents.

When United States wheat prices reached their low point in October, December futures at Chicago were only about 10 cents per bushel above Liverpool, but in the recovery which followed they rose relative to Liverpool and on November 24 closed 16-3/4 cents higher.

At Liverpool, December futures in terms of gold showed a fairly steady downward trend from mid-July to mid-October. They reached a high closing level of 63.0 cents per bushel on July 19, and on October 17 closed at 40.7 cents per bushel. Since mid-October Liverpool futures have shown no definite trend. On November 24 they closed at 41.8 cents per bushel in terms of gold or 68-3/8 cents in terms of United States currency.

In the United States No. 2 Amber Durum continues to be the highest priced of the principal representative wheats. For the week ended November 18 it averaged 103.9 cents per bushel compared with 90.9 cents for No. 1 Dark Northern Spring at Minneapolis. At Kansas City No. 2 Hard Winter averaged 87.4 cents and at St. Louis No. 2 Red Winter averaged 92.4 cents per bushel during the same week.

Table 2.- Wheat: Closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Aug.28 3/	59	98	50	92	57	94	53	70	61	75	4/50	5/62
Oct.27 3/	45	70	40	67	46	67	42	53	52	59	4/44	5/49
Oct.28	44	88	39	82	46	84	42	62	52	65	6/41	55
Nov. 4	44	87	39	81	46	83	41	63	50	67	6/39	58
10	46	90	42	84	50	85	42	64	52	69	42	59
18	43	87	39	81	47	83	40	64	51	69	42	57
25	44	82	38	76	45	78	38	63	50	68	40	56

1/ Conversions at noon buying rate of exchange. 2/Prices are of day previous to other prices. 3/High and low for period (Aug. 28-Oct. 27,1933) (Aug. 29-Oct. 28, 1932). 4/Oct. and Nov. futures. 5/Oct. and Dec. futures. 6/Feb. futures.

Table 3.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Amber Durum Minneapolis		No. 2 Red Winter St.Louis		Western White Seattle 1/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept.2 2/	57	93	49	90	61	94	56	105	56	91	56	75
Oct. 2 2/	51	78	45	75	53	79	51	91	49	76	50	66
28	49	86	43	85	53	87	48	96	48	88	48	75
Nov. 4	48	86	42	84	50	86	47	100	47	89	45	73
11	50	87	44	84	51	86	50	102	48	91	45	76
18	51	90	44	87	54	91	52	104	48	92	46	77
25	48		41	84	50		49		48		46	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (Sept. 2 - Oct. 21, 1932 and 1933).

Wheat Prices in Terms of United States Currency and in Terms of Gold

During the past 8 months there has been a marked difference between the course of wheat prices when measured in terms of United States currency and when measured in terms of gold. During the latter part of 1931 a number of countries allowed their currencies to depreciate relative to the gold standard currencies, but most of these countries have for the past year or more maintained their currencies at practically a constant level of value relative to gold. In the United States, on the other hand, the value of the currency in terms of foreign exchange and in terms of gold has declined markedly within the past year. Because of these monetary changes and because the wheat markets of the world are so closely bound up by world-wide international trade, it is desirable to study price movements in terms of gold, as well as in terms of United States currency. For this purpose there are published herewith two tables of prices in the principal countries of the world. One of these tables gives the same series of prices as has regularly been published in "World Wheat Prospects," though it is here shown for a longer period than is usual. The other table gives prices at the same markets converted to terms of gold cents per bushel.

It is significant that prices of wheat in terms of gold in most foreign markets have shown little or no net advance during the past 8 months. The price of parcels at Liverpool averaged 48.1 cents during the first week of March, rose during June and July to a high point of 59.1 cents, and then declined to 40.5 cents per bushel the first week in October. During the latter part of October the average price of parcels sold at Liverpool declined to as low as 33.5 cents per bushel when measured in terms of gold. This and similarly low levels in the week preceding and the week following were due primarily to the fact that sales at Liverpool consisted largely of continental European wheats which were selling at much lower levels than were overseas wheats. In only one of the foreign markets shown are wheat prices when measured in terms of gold much, if any, higher than they were during the first week of March. In Paris there has been a substantial improvement when measured in terms of gold cents per bushel, but it has been small in percentage, the price for the week ended March 4 being 110.3 cents per bushel, and for the last week of October 127.2 cents. Both Berlin and Milan prices were lower at the end of October than they were early in March as was also domestic wheat in England and Wales. Winnipeg and Buenos Aires prices were practically the same early in November as they were early in March.

In the United States, on the other hand, wheat prices, even when measured in terms of gold, are significantly higher than during the first week of March. Thus, for the week ended November 13, No. 2 Hard Winter at Kansas City averaged 53.8 cents per bushel, and No. 1 Dark Northern Spring at Minneapolis 56.0 cents per bushel (in terms of gold) compared with 43.3, and 49.2 cents respectively during the first week of March.

The continued low level of world wheat prices in spite of some reduction in supplies may be attributed primarily to the fact that the continental European crop for the year is very large. France, Germany, and Italy, all countries which are ordinarily counted on as large importers, this year have such a large production of wheat that they

Table 4.- Wheat: Price per bushel at specified markets, in terms of gold

Week ended	No.2 Hard Winter Kansas City	No. 1 Dk. No. Spring Minneapolis	No.3 Manitoba No. Winnipeg	Near futures Buenos Aires	Liverpool parcels	Domestic: England and Wales	Domestic: Berlin	Domestic: Paris	Domestic: Milan
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1933 -									
Mar. 4	43.3	49.2	35.8	34.4	48.1	47.2	128.2	110.3	151.1
11	-	-	-	-	45.8	-	-	-	-
18	50.1	55.4	39.5	36.0	49.4	47.5	129.1	111.2	-
25	48.8	53.9	37.9	35.5	49.0	46.7	127.9	110.9	145.9
Apr. 1	49.9	55.3	37.9	35.9	46.2	47.2	127.1	107.1	145.1
8	54.3	58.7	39.3	35.3	48.1	46.6	125.9	98.9	141.1
15	57.6	62.9	40.5	35.1	50.8	47.3	125.5	102.6	136.3
22	59.5	64.7	42.2	34.1	48.5	47.9	123.1	105.9	141.2
29	59.3	65.5	43.2	36.6	50.3	48.1	122.5	107.2	138.8
May 6	60.1	64.6	44.0	36.9	51.9	47.6	125.8	108.7	141.2
13	60.6	64.4	44.9	38.7	52.3	50.1	126.1	106.5	140.6
20	60.6	64.8	45.5	38.5	53.2	51.7	125.5	103.9	132.9
27	58.2	63.8	44.9	37.9	49.2	53.5	124.7	101.5	125.6
June 3	58.5	64.5	45.7	38.2	51.9	55.6	121.9	101.9	123.6
10	58.7	63.4	44.5	37.3	50.9	57.1	122.7	96.9	127.8
17	59.2	63.7	45.3	38.4	51.1	58.2	123.6	92.3	-
24	60.4	65.0	46.7	38.5	50.2	58.2	121.4	101.1	126.3
July 1	72.1	76.8	50.5	40.2	54.4	58.1	121.4	123.7	126.8
8	71.8	76.5	51.8	41.7	55.6	58.1	123.6	122.8	123.6
15	70.9	79.2	55.7	45.7	56.3	59.3	122.7	124.1	123.4
22	74.0	80.0	52.9	47.5	58.0	59.4	119.7	126.6	122.5
29	65.9	73.6	52.9	46.0	59.1	61.5	124.5	126.7	120.9
Aug. 5	67.9	73.9	53.8	45.4	53.0	59.5	114.1	126.8	120.1
12	69.7	73.6	50.5	42.9	48.6	53.3	113.8	127.1	120.5
19	62.3	66.9	45.9	41.7	53.1	47.3	112.9	127.2	128.7
26	61.6	64.4	44.8	40.6	42.8	43.9	112.5	127.0	119.8
Sept. 2	60.9	62.8	43.9	41.4	46.4	41.5	117.8	132.5	123.6
9	58.8	61.1	43.3	41.0	46.3	40.5	113.8	128.4	118.7
16	60.1	62.1	43.0	39.7	51.7	40.8	116.4	128.3	119.2
23	59.0	61.4	40.8	39.1	43.6	40.4	115.2	126.7	117.1
30	57.8	59.7	38.0	37.8	46.7	41.2	118.0	127.2	118.0
Oct. 7	56.4	57.6	36.1	36.3	40.5	40.8	119.0	129.4	119.0
14	54.8	56.1	35.5	35.3	44.1	40.4	115.4	129.1	117.7
21	52.9	55.3	36.1	34.7	35.6	41.3	118.0	128.9	115.9
28	56.6	58.0	38.3	35.5	33.5	39.9	117.3	127.2	113.3
Nov. 4	54.0	55.0	36.7	35.0	38.3	38.5			
11	52.6	53.9	37.5	35.5					
18	53.8	56.0	38.3						

Table 5.- Wheat: Price per bushel at specified markets, in terms of United States currency March 4 - November 18, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 7/	Milan 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Mar. 4	43.6	49.5	36.0	34.6	48.4	47.5	129	111	152
11	-	-	-	-	-	-	-	-	-
18	50.3	55.6	39.7	36.1	49.6	47.7	130	112	-
25	48.8	53.8	37.9	35.5	49.0	46.7	128	111	146
Apr. 1	50.0	55.4	38.0	36.0	46.3	47.3	127	107	145
8	54.2	58.6	39.3	35.3	48.1	46.6	126	99	141
15	57.8	63.2	40.7	35.2	51.0	47.5	126	103	138
22	63.2	68.8	44.8	36.2	51.5	50.9	129	111	148
29	66.0	72.9	48.1	40.8	56.0	53.6	136	119	154
May 6	70.9	76.2	51.9	43.5	61.2	56.1	147	127	165
13	71.6	76.1	53.1	45.8	61.8	59.2	148	125	165
20	70.6	75.5	53.0	44.9	62.0	60.2	145	122	156
27	67.6	74.1	52.2	44.0	57.1	62.1	145	118	146
June 3	69.5	76.6	54.3	45.4	61.6	66.0	146	122	148
10	71.0	76.7	53.8	45.1	61.5	69.1	147	116	153
17	71.7	77.1	54.9	46.5	61.9	70.4	150	112	-
24	74.7	80.5	57.8	47.6	62.1	72.0	149	124	155
July 1	91.4	97.4	64.0	50.9	68.9	73.6	156	159	163
8	98.2	104.7	70.8	57.1	76.2	79.5	167	166	167
15	101.6	113.4	79.8	65.5	80.6	85.0	173	175	174
22	105.6	114.1	75.5	67.8	82.8	84.8	174	184	178
29	89.9	100.4	72.2	62.7	80.6	83.9	172	175	167
Aug. 5	91.7	99.8	72.7	61.3	71.6	80.2	153	170	161
12	94.3	99.6	68.4	58.1	65.7	72.1	154	172	163
19	83.8	90.0	61.8	56.1	71.4	63.7	151	170	172
26	85.6	89.4	62.2	56.4	59.4	61.0	155	175	165
Sept. 2	86.1	88.8	62.1	58.5	65.7	58.7	160	180	168
9	84.2	87.5	62.0	58.8	66.3	57.8	164	185	171
16	86.5	89.3	61.8	57.1	74.4	58.7	166	183	170
23	90.5	94.2	62.6	60.0	74.5	62.0	180	198	183
30	87.5	90.4	57.6	57.2	70.8	62.4	179	193	179
Oct. 7	86.5	88.3	55.4	55.7	62.1	62.6	183	199	183
14	81.4	83.4	52.7	52.4	65.6	60.1	177	193	176
21	75.2	78.6	51.4	49.4	50.6	58.8	173	189	170
28	84.8	86.9	57.3	53.1	50.1	59.8	178	193	172
Nov. 4	84.3	86.0	57.2	54.7	59.9	60.2			
11	84.2	86.3	60.0	56.8					
18	87.4	90.9	62.2						

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturda, Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.

1/No. 2 Hard Red Winter. 2/No. 1 Dark Northern Spring. 3/No. 3 Manitoba Northern. 4/Near futures. 5/All sales of imported parcels. 6/Home-grown wheat in England and Wales. 7/ Domestic.

will probably have no net imports. The combined net imports of all the continental European countries outside the lower Danube Basin will probably not be as large as the imports of the United Kingdom, while in years past they have frequently amounted to twice the United Kingdom imports.

The decline of prices in world markets since mid-July may be attributed largely to increasing estimates of the production of various countries, especially those of Europe. Early in the season it was estimated that the countries outside the Danube Basin, that is those which are importing countries of Europe, would have a wheat crop materially smaller than that of last year, whereas, it now appears that the wheat production of these countries will be larger than last year by more than 60,000,000 bushels. These increasing crop estimates, combined perhaps with the speculative reaction from over optimism as to the beneficial effects of the London Wheat Conference, together with some other minor factors, may be considered responsible for the decline of about one-third in Liverpool prices from the level which they reached in July.

North Pacific Exports from the United States

During the first month of operation of the North Pacific Emergency Export Agreement more than half as much wheat was sold for export at North Pacific ports as the total 1932-33 exports of wheat and flour through these ports.

The first purchases under the agreement were made on October 19 at 67 cents per bushel; by November 16 the price had been increased to 78 cents per bushel. The Export Association price has been held at from 11 to 13 cents under the December option at Chicago. From October 19 to noon on November 18 about 4,500,000 bushels of wheat were purchased by the Emergency Export Association operating under this agreement. During this same period about 4,000,000 bushels were sold by the Association for export. The destinations included China, the Philippines, Ireland, Scotland, England, Norway, Peru, Japan and Central American countries.

The Marketing Agreement for disposal of surplus wheat in the Pacific Northwest is designed to readjust wheat prices in this surplus area to their usual relationship with other sections of the United States and thus to aid in the improvement of the general level of wheat prices for the entire United States. Owing to the large crop and carry-over of wheat in the Pacific Northwest this year prices of wheat during harvest in that region were very low compared with prices in other sections of the United States. As a result of the aid given exports, however, market prices in the Pacific Northwest have improved with respect to Chicago. On July 15 No. 1 White wheat at Portland was 26 cents under the December option at Chicago, whereas on November 15 the Portland price was only 13 cents under Chicago.

The Continental European Wheat Market Situation During October 1/

Trading on continental wheat markets during October continued dull, as a result of the price declines on overseas markets and the unsatisfactory flour trade on the Continent. Markets were also depressed by increased

1/ Based on report of Assistant Agricultural Attaché Donald F. Christy, Berlin, Germany, November 3, 1933.

offers of wheat and other grains from France, Germany, Poland and Hungary, with Great Britain the most important purchaser. These increased offers resulted in the introduction of further restrictive measures, notably by Belgium and Denmark.

Domestic wheat prices on the inland markets of the Continent remained largely unchanged. The outstanding development here was the fixation of wheat and rye prices in Germany, effective October 1, 1933. Following the previous heavy price declines in Czechoslovakia, Austria and Poland, a slight improvement was noted during October. However, domestic prices in general continue to be influenced by the heavy stocks of wheat both on farms and in secondhands. The large accumulation of stocks at the principal ports is also considered very bearish by the trade who view the approaching November liquidation at Rotterdam with some apprehension. Secondhand stocks in Germany increased rapidly during September in anticipation of the fixed prices. As a result, farmers are finding little demand for their wheat since grain from these accumulated secondhand stocks is still available at prices below those fixed for new farm deliveries. (See following tables on Prices and Stocks).

So far there has been but little direct action by continental governments toward carrying out the provisions of the Wheat Agreement. The outstanding development to date has been the announcement by France of a tax of 500 Francs per hectare ($13.25 per acre at exchange on November 15, 1933) to be assessed on all wheat acreage in excess of that grown on the average during the past 3 years. On the other hand, reports from Austria indicate an increased wheat acreage this Fall. It is somewhat early to forecast the results of the Wheat Agreement, but it seems probable that some countries may find it expedient to shift to better quality lower yielding wheats, thus accomplishing a reduction in production without forcing a curtailment of acreage since governmental power to compel the latter is in most cases lacking. Needless to say, such action must develop very slowly.

An inquiry conducted by the German Agricultural Council shows that the quality of this year's grain crops in Germany was much above average, particularly for wheat. The results of the inquiry are shown in the table below:

Wheat per measured bushel	Average Percentage Share Sept. 15	
	1932	1933
	Percent	Percent
Winter wheat		
Under 57 pounds	16.7	5.0
From 57 to 59 pounds	28.7	21.4
Over 59 pounds	54.6	73.6
Summer wheat		
Under 57 pounds	10.3	3.1
From 57 to 59 pounds	17.1	10.5
Over 59 pounds	72.6	86.4
Winter rye		
Under 53 pounds	9.1	5.3
From 53 to 55 pounds	40.0	31.7
Over 55 pounds	50.9	63.0

Continued -

	Average percentage share Sept. 15, 1932	1933
Oats		
Under 35 pounds	12.8	5.3
From 35 to 37 pounds	39.8	35.3
Over 37 pounds	47.4	59.4

The Institute for Plant Breeding at the University of Halle also conducts an annual inquiry on the quality of wheat crops. The results of this inquiry, which is based on about 300 samples collected from various parts of the country, are shown below,

Gluten content of:	Percentage of total crops 1931 Percent	1932 Percent	1933 Percent
Below 17.5 percent	9.0	20.4	8.1
17.5 to 22.4 "	44.7	55.5	56.8
22.5 to 24.9 "	21.9	15.7	22.2
Over 25 "	24.4	8.4	13.1

France

The tendency of farmers in some regions to increase the wheat acreage has been counteracted by the government's action in placing a tax of $7.93 on each acre converted at par or $13.25 converted at exchange on November 15, 1933, on each acre of wheat sown in excess of the farmer's average acreage during the past 3 years. There is also some agitation to switch to higher quality wheats which, however, give a lower average yield.

Soviet Russia

Grain procurings showed much better progress during the first 3 months of the campaign (July-September) than last year. Several minor regions, including the Tatar Republic, Moscow Region, Gorky Region, Crimea, Bashceria, and Turkmenia, have already delivered their tax in full, and several other regions are nearing completion. Deliveries during July and August were especially satisfactory, but despite strenuous efforts the plan for the month of September could not be fulfilled. Apparently there was some let-down in the efforts of the workers following the success achieved during the early part of the campaign. In September and October, however, grain deliveries have been hindered by the necessary Fall sowing operations. The high prices prevailing on the "free" market have also apparently caused peasants to postpone the payment of their tax in kind. Despite the government's prohibition of grain sales until the full amount of the grain tax has been delivered, there have been numerous reports of speculative trading on the "free" and private markets of North Caucasus, Lower Volga, Ukraine and the Central Fertile Regions. The local party organs have offered little opposition to such dealings, but the central Press is demanding suppression of such speculation. Considered from all angles, it must be admitted that grain procurings, although not fully up to the plan, have been more satisfactory than last year, and the total quantity of grain now held by the government is probably materially above that on the same date in 1932.

Available figures on the harvesting progress indicate a somewhat more favorable situation this year, as can be seen from the following table.

Date	Cereals cut 1,000 acres	Cereals stacked 1,000 acres	Cereals threshed 1,000 acres
Sept. 5, 1932	159,856	107,259	59,961
" 5, 1933	173,590	118,311	78,202
Oct. 10, 1932	-	151,339	104,378
" 10, 1933	-	187,435	141,650

Sowings of winter grains have been completed in the northern and most of the eastern regions of the Union, where the plan appears to have been generally fulfilled. In the southern regions of the Union, however, a considerable acreage still remains to be sown. Total sowings on October 20, this year, were 81,716,000 acres compared with 82,702,000 acres sown by that date last year. Sowings this year are about 5 percent less than the acreage sown by October 20, 1931. In the southern regions of the Union, including North Caucasus, Crimea, Central Fertile and Lower Volga Regions, sowings on October 20, ranged from 5 to 16 percent below those of the same date in 1932. The following table shows comparative sowings for the last 4 years.

Country	Oct. 20, 1930 1,000 acres	Oct. 20, 1931 1,000 acres	Oct. 20, 1932 1,000 acres	Oct. 20, 1933 1,000 acres
Ukraine	22,555	24,174	21,713	22,506
North Caucasus	7,297	5,752	5,592	5,298
Central Fertile Reg.	9,392	9,533	9,545	9,096
Middle Volga	6,341	6,659	6,244	6,249
Lower Volga 1/	5,063	3,338	5,903	4,954
Gorky Region 2/	6,098	6,145	5,898	5,950
Moscow Region	4,258	4,512	4,127	4,141
Ural	2,693	3,086	3,106	3,311
Tartar Republic	3,173	3,180	3,089	3,099
Total Republic	85,250	85,959	82,702	81,716

1/ Including the Republic of the Volga Germans
2/ Former Nijninovgorod Region.

Sowings during the optimum period this year differed very little from those in 1932. Only in the Central Fertile Region are the sowings reported much below those of a year ago. Progress in North Caucasus is also unsatisfactory though the optimum period there does not end until November 5. In Ukraine, on the other hand, the acreage sown during the optimum period this year was about 7 percent above that of 1932. The following table shows the comparative sowings during the optimum periods of the past 4 years.

Acreage sown by the end of the respective optimum period

Country	1930 1,000 acres	1931 1,000 acres	1932 1,000 acres	1933 1,000 acres
Gorky Region	5,530	5,691	5,604	5,940
Western Region	2,802	3,707	3,121	2,987
Moscow Region	1/ 3,860	4,006	3,400	3,094
Central Fertile Region ..	8,839	8,762	7,989	6,926
Middle Volga	5,449	6,580	5,785	6,074
Lower Volga	4,300	3,711	3,593	3,615
Ivanov	1,576	1,549	1,369	1,515
Ukraine	20,981	22,812	19,471	20,979
Total	53,337	56,818	50,332	51,130

1/ September 15, as figures for September 10, which is regarded as the end of the optimum period in that region, are not available.

Table 6 .-Wheat, including flour: Net imports into European countries, 1931-32 to 1933-34

Country	1931-32	1932-33	Prel. estimate 1933-34	Net imports reported		
				July 1 to	1932-33	1933-3
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
United Kingdom	245	217		Sept. 30	53	56 c
Italy	33	13	18 - 24	July 31	3	1/
Belgium	48	41	39 - 42	Aug. 31	7	6
France	81	38	0 - 2	Aug. 31	18	4
Netherlands	31	26	22 - 25	Sept. 30	7	10
Germany	22	9	0 - 2	Sept. 30	5	1/
Greece	24	20	13 - 17			
Irish Free State	20	18		Sept. 30	5	5
Switzerland	21	19	17 - 18	Oct. 31	7	7
Austria	14	13	9 - 13	Sept. 30	2	2
Czechoslovakia	20	7	2 - 6	Sept. 30	2	2
Denmark	17	12	11 - 15	Sept. 30	4	4
Norway	9	8	7 - 8	Sept. 30	2	2
Finland	4	4	4 - 4	Aug. 31	1	1
Sweden	7	4	2 - 5	Sept. 30	2	1/
Poland	2/ - 3	2/ - 1	0-(-)2	Sept. 30	3/	3/
Portugal	2	3	0.9 - 3			
Latvia	1	1/	0.4 -0.7	July 31	0	1/
Estonia	1	1/	0 -0.6	Aug. 31	1	0
Spain	2	8	11 - 17	Sept. 30	8	3/
Total	539	459			127	99

Division of Statistical and Historical Research. Compiled from official source
1/ Less than 500,000 bushels. 2/ Net exports. 3/ Net exports of less than 500,000 bushels.

Table 7.-United States: Exports of wheat and wheat including flour, by weeks, 1932-33 and 1933-34

Date	Wheat		Wheat flour		Wheat including flour	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2-July 29 ..	1,962	21	206	169	2,931	815
July 30-Sept. 2 ..	3,841	19	306	249	5,279	1,189
Sept. 3-Sept. 30 ..	1,692	133	202	156	2,642	865
Week ended						
Oct. 7	371	1	61	36	658	170
14	568	8	41	35	761	172
21	705	---	48	20	931	94
28	386	4	59	30	663	145
Nov. 4	107	2	90	28	530	134
11	346	12	33	17	501	92
18	733	78	68	38	1,053	257

Compiled from weekly report of the Bureau of Foreign and Domestic Commerce.

Table 8.-Wheat including flour: Shipments from principal exporting regions, specified dates, 1932-33 and 1933-34

Date	Argentina		Australia		Danube		North America	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.
July 2 - July 29	3,264	14,140	7,672	8,728	208	0	22,896	14,296
July 30- Sept. 2	3,712	16,464	5,816	8,904	0	0	26,344	20,568
Sept.3 - Sept.30	3,368	7,896	6,228	7,548	16	1,008	25,200	17,328
Week ended								
Oct. 7.....	520	816	2,316	1,312	176	744	10,200	5,096
14.....	488	1,264	2,104	800	112	384	7,288	5,256
21.....	1,308	1,328	1,068	984	0	928	9,616	6,320
28.....	560	1,364	1,424	916	72	776	6,760	4,464
Nov. 4.....	568	1,388	2,776	1,424	200	1,176	8,544	4,224
11.....	980	915	1,760	1,226	256	528	9,272	5,277
18.....	836	835	1,308	1,468	392	419	6,984	5,494
25.....	1,028	482	1,968	815	0	384	8,736	

Compiled from trade sources.

Table 9.- Wheat including flour: Movement from principal exporting countries

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1930-31	1931-32	1932-33	1931-32	1932-33	1933-34	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	131,475	135,797	41,211	56,664	19,102	6,132	Oct. 31
Canada	267,365	199,563	267,342	66,700	112,585	77,178	Oct. 31
Argentina	120,638	144,920	120,272	26,287	13,762	44,180	Oct. 31
Australia	143,296	155,451	148,060	12,376	8,306	9,100	July 31
Russia	111,780	71,829	19,183	42,895	6,311	8,545	Sept. 30
Hungary	18,425	18,064	7,010	1,135	838	2,041	Aug. 31
Yugoslavia	5,332	15,365	1,169	5,022	423	68	Aug. 31
Rumania	16,072	37,481	186	330	103	0	July 31
Bulgaria	5,041	11,795	3,144	887	298	292	July 31
British India (L&S)	10,197	1/2,913	1/ 871	954	185	120	Aug. 31
Total	829,621	793,178	608,448	213,250	161,913	147,656	

	Shipments as given by current trade sources						
	Total		Weeks ended			July 1-	Nov. 18
	1931-32	1932-33	Nov. 4	Nov. 11	Nov. 18	1932	1933
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	333,638	298,514	4,224	5,277	5,494	133,104	88,323
Canada, 4 markets 3/	206,258	289,257	5,255	5,283	4,149	154,949	102,158
United States	135,797	41,211	134	92	257	21,183	6,610
Argentina	144,572	115,412	1,388	915	835	15,604	46,410
Australia	163,004	153,400	1,424	1,226	1,468	32,472	33,310
Russia 4/	71,664	17,408	384	768	944	11,688	12,552
Danube & Bulgaria 4/	39,280	1,704	1,176	528	419	1,432	5,963
British India	5/2,913	5/ 869	0	0	0	0	0
Total 6/	755,071	587,307	8,596	8,714	9,160	194,300	186,558
Total European shipments 2/	597,976	442,252	6,920			7/ 145,552	7/ 145,680
Total ex-European shipments 2/	194,464	164,454	2,560			7/ 41,327	7/ 35,456

Division of Statistical and Historical Research. Compiled from official and trade sources.

1/ Sea trade only, land trade not reported since September 1931.
2/ Broomhall's Corn Trade News. 3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminister. 4/ Black Sea shipments only.
5/ Total exports as given by official sources. 6/ Total of trade figures includes North American as reported by Broomhall's. 7/ To November 4.

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December 21, 1933

WORLD WHEAT PROSPECTS

Summary

There has been little change in the general aspects of the world wheat situation during the past month. Argentina has been added to the list of countries for which official production estimates are now available, however, and the 1933-34 wheat production in 46 countries is reported at 3,516,000,000 bushels, compared with 3,698,000,000 in the same countries last year. The Argentine crop is estimated to be 21,000,000 bushels larger than that of last year. Prices in the principal wheat markets of the world have remained fairly steady except when measured in terms of United States currency which has fluctuated in its value relative to foreign currencies. Prices at Chicago continue to be about 20 cents per bushel above Liverpool.

The movement of wheat into international trade channels continues at a low level. World shipments have fluctuated at a level of about 10,000,000 bushels weekly. For the week ended December 9, however, they fell to the lowest level thus far this season, amounting to only 7,900,000 bushels. A considerable decline in shipments during December is a usual feature of the wheat trade and occurs in anticipation of the supplies of new wheat which become available from the Southern Hemisphere during the latter part of December and January. Shipments of new crop wheat from Argentina and Australia may be expected to begin in volume during late December and early January, whereas shipments from North America are likely to be much smaller after December than during the early part of the crop year.

Prospects for the absorption of wheat during the current season by the Chinese market are uncertain as a result of the imposition of a duty by the

Chinese Government. Large sales of wheat have already been made to China and it is understood that the new duty will apply to wheat sales for which the Chinese Government has arranged credit from the United States. The credit has been arranged for the purchase by the Chinese Government of approximately 18,000,000 bushels of wheat including flour, and to date only about 4,000,000 bushels have actually been purchased. Consequently there remains a large amount of wheat which may be imported into China, the price of which may not necessarily be as high as that which would prevail under ordinary conditions of importation over the duty.

On the Continent of Europe, interest centers around the efforts which are being made by various countries to maintain prices in the face of large domestic crops. Both Germany and France are among the countries which have provided for price fixing. Thus far Germany appears to be meeting with better success than France in maintaining prices, but exports of domestic wheat from Germany have been disappointing. In Czechoslovakia, the Minister of Finance has been authorized to purchase domestic wheat in order to stabilize prices at an adequate level.

Crop Prospects

The 1933-34 wheat production in 46 countries which produce about 98 percent of the estimated world wheat crop, outside of Russia and China, is reported at 3,516,139,000 bushels compared with 3,697,727,000 bushels in the same countries last year, and an average production of 3,661,074,000 bushels during the years 1929-1932.

The most important addition during the past month was the release of the first official forecast of the production in Argentina. This forecast indicates a crop of 256,175,000 bushels as compared with 235,378,000 bushels harvested last year. The area sown to wheat in Argentina this season was reported at 19,662,000 acres compared with 19,790,000 acres in 1932. The present indicated yield of 13.0 bushels per acre is the highest since 1929. The area and production estimates of wheat and rye for this year and the 5 preceding years are as follows:

Table 1.- Argentina: Acreage and production for wheat and rye, 1928-29 to 1933-34

Crop year	Wheat		Rye	
	Area sown	Production	Area sown	Production
	1,000 acres	1,000 bushels	1,000 acres	1,000 bushels
1928-29	22,780	349,051	1,275	8,976
1929-30	20,474	162,576	1,291	4,401
1930-31	21,283	232,285	1,322	4,129
1931-32	17,295	219,696	1,378	9,744
1932-33	19,790	235,378	1,623	12,991
1933-34	19,662	256,175	1,767	10,078

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The only major revision reported in the European total was the increase of about 7,000,000 bushels in the estimate of the Czechoslovakian crop. This increase, together with minor changes for England and Wales and Hungary, brings the European total to 1,691,571,000 bushels, an increase of more than 200,000,000 bushels over the 1932 crop. The present crop is the largest European crop on record.

The estimate of the Algerian crop was increased from 27,135,000 bushels to 30,497,000 bushels, compared with 29,237,000 bushels in 1932.

The Chinese Import Duty

The Chinese Legislative Yuan on November 17 approved the imposition of import duties on wheat and wheat flour and authorized the Finance Ministry to fix the amount of the duty within a permitted maximum of 1.25 customs gold units per picul on wheat (32 cents per bushel) and 2.5 customs gold units on flour ($2.00 per barrel of 196 pounds). On December 14 it was announced that a duty of 30 gold units per 100 piculs (8.5 cents per bushel in United States currency) had been fixed on wheat and 75 gold units (69 cents per barrel) on flour to become effective December 16. A surtax of 10 percent is added to these rates making a total of 33 gold units per 100 piculs or about 9-1/3 cents per bushel in terms of United States currency at recent exchange rates. Shanghai flour merchants had petitioned the government to increase the import duty on flour from the prevailing rate of 18 cents Mex per bag (about 5.2 cents in United States currency) stating that they feared the possibility of a crisis in the future as a result of the dumping of foreign flour on the market, but both millers and importers opposed the duty on wheat. The duty as now applied will probably tend to shift imports from the form of flour to the form of wheat grain as well as to reduce somewhat the aggregate imports.

Although China ranks among the leading wheat producing countries of the world, it has become increasingly important in recent years as a market for foreign wheat and flour. Imports of wheat and flour in terms of wheat during the calendar years 1923-1932 ranged from 10,545,000 bushels in 1925 to 66,241,000 bushels in 1931. Imports during the crop year 1932-33 were 59,123,000 bushels. Australia supplied over 60 percent of the total imports of wheat into China during the years 1931 and 1932 while the United States supplied about 20 percent.

The prospects for imports during the remainder of the 1932-33 season are uncertain, partly because of the imposition of the new duty. Imports of wheat into China have shown themselves to be very sensitive to prices, large amounts being imported only in years of low prices. It is understood that the new duty will apply to wheat and flour imported by the Wheat Syndicate of the Chinese Government itself and that the Syndicate is paying the duty on wheat sold by them to millers prior to November 17 but that millers will have to pay the amount of the duty in addition to the contract price on wheat which they have purchased from the Syndicate since that date. The Chinese Government has arranged with the United States for credit with which to purchase 18,000,000 bushels of wheat (including flour). Thus far only about 4,000,000 bushels have actually been sold to the Chinese Government and only part of this has been delivered. Hence it appears that there remains over 14,000,000 bushels of wheat which may be imported under this credit during the remainder of the year. Whether such wheat will be sold in China at a price corresponding to that which would prevail if there were no duty, or at a price as high would have to prevail for other duty paid imports will probably be of considerable importance in determining the amount of wheat imported into China during the remainder of the crop year.

Prices

The wheat price situation has not changed materially in the past month. In a general way the course of wheat prices in the past month has followed that of foreign exchange. Chicago prices have held about 20 cents in United States currency above Liverpool. The shortage of feed grain supplies, the loan policy adopted for corn, and the purchase of wheat in the Far Northwest for export, all tend to strengthen the market for wheat in the United States in relation to foreign market prices. Furthermore, the commercial mill demand for wheat in this country in the remainder of the season is likely to be more nearly normal than it has been in the early part of the season, as the curtailment in operations since July 1 has now more than made up for the expansion in milling activity in the months April, May, and June. The foreign demand for wheat, however, continues on a low level because of the large supplies in several of the European importing countries and the harvesting of the new wheat crop of the Southern Hemisphere.

The price of wheat rose rapidly from the low point reached in October to the middle of November, and then declined, but turned upward at the end of the month. The average farm price in the United States increased from about 64 to 71 cents between the middle of October and the middle of November, and market prices since the middle of November indicate that the farm price of wheat lost about half of this improvement

before the end of November, a part of which was regained early in December. A year ago the farm price of wheat averaged only 31.6 cents.

There have been few recent changes in estimates of wheat production in foreign countries, and none of them of much importance. Liverpool prices, when measured in terms of gold, have been fluctuating in a very narrow range with December futures at about 42 cents per bushel, though during the first few days of December they fell as low as 40.5 cents. This reflects the continued abundance of wheat in importing markets and relatively large surpluses available in the exporting countries. The harvest in the Southern Hemisphere is now in full swing and exports from Australia and Argentina will begin in volume during the next few weeks. The course of Liverpool prices in terms of gold during the next few months will depend largely upon the volume of Southern Hemisphere shipments in relation to the import demand. Some improvement in import takings seems likely by mid-winter or early spring, though the fact that the German, French, and Italian crops are about equal to or larger than the probable domestic consumption of these countries may be expected to result in a less marked seasonal increase than occurred last year.

Liverpool prices in terms of United States currency advanced from a closing level of 58-7/8 cents per bushel on October 17 to 73-1/4 cents on November 16 and then declined to 63-5/8 cents on December 12. Chicago December futures have followed the converted Liverpool quotations fairly closely, and have continued to be about 20 cents per bushel higher than Liverpool since the latter part of October. They advanced from a closing level of 69-7/8 cents on October 16 to a level slightly over 90 cents which approximate level was maintained from November 9 to 17. There followed a decline and from November 25 to December 8, December futures fluctuated in the vicinity of 83 cents per bushel. On December 12 they closed at 85-7/8 cents.

Table 2.-Wheat: Price per bushel at specified markets, in terms of United States currency, by weeks, October-December, 1933

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 5/	Great Britain 6/	Berlin 7/	Paris 8/	Milan 8/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Oct. 7	86.5	88.3	55.4	55.7	62.1	62.6	183	199	183
14	81.4	83.4	52.7	52.4	65.6	60.1	177	193	176
21	75.2	78.6	51.4	49.4	50.6	58.8	173	189	170
28	84.8	86.9	57.3	53.1	50.1	59.8	176	193	172
Nov. 4	84.3	86.0	57.2	54.7	59.9	60.2	182	199	
11	84.2	86.3	60.0	56.8	68.3	62.8	187	205	179
18	87.4	90.9	62.2	58.0	74.2	65.1	199	217	191
25	83.8	87.5	61.0	57.2	69.8	65.1	196	214	187
Dec. 2	79.6	85.7	55.4	52.8					
9	81.1	84.1	55.1	48.0					

Prices are averages of daily prices for weeks ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday, Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern. 4/ Near futures.
5/ All sales of imported parcels. 6/ Home-grown wheat in England and Wales.
7/ Decreed minimum price for free station Brandenburg, certain districts. 8/ Domestic.

Table 3.-Wheat: Closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 11 3/	55	98	49	92	54	94	49	70	59	75	4/49	5/62
Nov. 9 3/	42	70	37	67	44	67	41	53	50	59	4/42	5/49
10	46	90	42	84	50	85	42	64	52	69	42	59
18	43	87	39	81	47	83	40	64	51	69	42	57
25	44	82	38	76	45	78	38	63	50	68	40	56
Dec. 2	44	82	40	74	45	77	37	59	49	65	40	51
9	46	85	40	79	46	80	38	62	49	64	40	47

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ High and low for period (September 11-November 9, 1933) (September 12-November 10, 1932). 4/ November futures. 5/ October and December futures).

Table 4.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets 1932	1933	No. 2 Hard Winter Kansas City 1932	1933	No. 1 Dk. N. Spring Minneapolis 1932	1933	No. 2 Amber Durum Minneapolis 1932	1933	No. 2 Red Winter St. Louis 1932	1933	Western White Seattle 1/ 1932	1933
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Sept. 16 2/	56	93	49	90	59	94	54	105	53	91	54	75
Nov. 4 2/	48	78	42	75	50	79	47	91	47	76	45	66
11	50	87	44	84	51	86	50	102	48	91	45	76
18	51	90	44	87	54	91	52	104	48	92	46	77
25	48	87	41	84	50	87	49	101	48	88	46	75
Dec. 2	47	84	42	80	49	86	51	94	47	87	45	74
9	48	83	43	81	50	84	51	97	47	88	45	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ High and low for period (September 16,-November 4, 1932 and 1933)

The Continental European Wheat Market Situation During November 1/

Trade in both domestic and foreign wheat on continental markets improved during November. The trade appears to have adjusted itself, partially at least, to the many governmental restrictions introduced around the beginning of the present marketing season, and an improved demand for flour has lately been evident.

Domestic wheat prices on the Continent remained almost unchanged throughout the month, not only in Germany and France where prices are fixed, but in other countries as well. On the other hand, prices on the Rotterdam futures market showed a substantial rise despite the fluctuations experienced throughout the month.

The improved trade in domestic wheat was noted in Germany and other Central European countries as well as in Belgium and Holland, but business continued very unsatisfactory in France. Import buying was also generally improved, with France again the exception. Purchases by the latter were confined mostly to durum wheat for semolina.

Continental wheat stocks, as nearly as they can be measured, differed little on November 15, from those of a month earlier. Port stocks on November 15 were lower than the previous month but much above the same date a year ago. A sharp decline in Antwerp stocks was partially offset by increases at Rotterdam and at other ports. German second-hand stocks of wheat showed a strong increase from October 1, to November 1, but this was offset by a decline in farm stocks. German farm stocks of rye also declined sharply, due probably to an increased use of rye for feed as a result of the restricted supply of feedstuffs. German imports of corn have been very small to date, and the production of soybean meal has recently been restricted, resulting in higher feed grain prices.

With the exception of France there has been no action on the part of continental countries, official or otherwise, to reduce or even to prevent a further increase in the wheat acreage, and reports of increased sowings are surprisingly frequent. (See World Wheat Prospects for November, p. 13)

1/ Based on a report of Assistant Agricultural Attache Christy, Berlin, Germany, November 29, 1933.

Table 5.- Continental European stocks of wheat

Country	1932 Middle of Oct.	1932 Middle of Nov.	1933 Middle of Oct.	1933 Middle of Nov.
	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.
Antweerp	1,000	1,500	3,600	2,000
Rotterdan	1,500	1,400	4,100	4,800
Wheat stocks 12 principal) Continental ports(includes) above two ports)	5,300	5,800	9,400	8,900
Berlin (wheat and flour)	1/ 1,500	2/ 1,600	1/ 2,000	2/ 2,000
Hamburg (rough estimate)	780	730	460	400
Breman & Brake	30	20	20	60
German farm stocks	127,100	113,600	144,500	--
German "Secondhand stocks" 3/	1/ 30,700	2/ 31,100	1/ 38,800	2/4/42,000
Swedish mill stocks of wheat	2,500	2,900	--	--

1/ October 1. 2/ November 1.
3/ In warehouses and flour mills (wheat and flour); these totals are estimated to include 95 percent of the second-hand stocks actually existing and, therefore, must contain most of the Berlin, Hamburg, and Bremen-Brake data.
4/ Preliminary.

Fall sowings on the Continent progressed reasonably well this year though hindered in some places by drouth. The acreage sown would appear to be at least as large as last fall and some increase is not impossible. The condition of the crops, however, is quite generally below that of a year ago, and the weather to date has been too mild properly to harden the plants for the winter, particularly if a sharp drop in temperature occurs.

Germany

There was an improvement in the business in bread grains during November and the recent hesitation, due largely to uncertainty regarding the operations of the fixed prices, appears to be gradually disappearing. The market for rye flour in particular has shown some improvement, but so far there has been little change in the wheat flour business. There has been a notable increase in the exports of rye flour during recent months, largely to the Scandinavian countries, especially Norway.

The improved demand for rye during November was due not only to the export sales of rye flour, but also to the growing shortage of suitable feedstuffs. Undoubtedly, however, both the wheat and rye business has been stimulated to some extent by certain features of the law establishing the flour mill cartel. That part of the cartel agreement requiring mills to store 2 months requirements of wheat and rye within a short period of time, has undoubtedly caused some of the mills to effect purchases in anticipation of such a feature. Any improvement in the market as a result of the forced storage of larger quantities of grain, however, should only be temporary, and it remains to be seen whether or not the recent improvement has a sound basis.

In accordance with the Government's system of fixed prices, the November prices for wheat and rye were RM. 1.00 above those of October. (One cent per bushel converted on the basis of the average exchange rate during November) There has been little or no further information from which to judge the practicability of the fixed price system, but so far the Government appears to have the situation well in hand. The lack of such confusion as is apparent on the French markets is due to the continued moderate farm offerings of grain. The Government itself has done a great deal to prevent farmers from rushing their grain to the market, not only through the lombarding of grain, but also through widespread publicity. It has been stressed that the use of lombard credits not only advances farmers money at a moderate rate of interest, but also guarantees a suitable storage of the grain. The lombarding of grain, however, will cease on November 30, unless the Government decides to extend it at that time.

German imports of overseas wheat were small though steady during November and consisted almost entirely of Manitoba No. 1. The export of German wheat, on the other hand, was slow during November and certainly below the Government's expectations. The principal buyers were England and the Scandinavian countries, but the protective measures planned in Denmark are expected to further hamper the exports of both bread grains and flour from Germany. During the month the Dutch Government arranged for the purchase of 3,000,000 bushels of German rye the payment for which was made in so-called German "Scrips". This is essentially a form of subsidized exports.

The German Government has modified its July legislation which permitted the duty free importation of foreign wheat in exchange for exports of German wheat effected prior to December 1, 1933. Duty free importation of foreign wheat may now be made in exchange for exports of German wheat effected before January 1, 1934. The prolongation of this provision is an admission of the unsatisfactory export business to date.

In order to make all information on stocks more comparable, the German Agricultural Council has decided to change their date of estimating farm stocks from the fifteenth to the first of each month, beginning with November. Farm stocks as of October 15, this year, show a decline from the previous month of 31,232,000 bushels as compared with a decline of only 25,720,000 bushels during the same period last year, and 23,883,000 bushels for the same period in 1931. Some of this year's large decline may be accounted for by an increase in the feeding of wheat, but most of it is apparently due to a shift of stocks from farms to second-hands. The decline in winter rye stocks on farms from September 15 to October 15, this year, was also large, totaling 53,147,000 bushels against 45,273,000 bushels last year, and 43,305,000 bushels 2 years ago. Much of this is, no doubt, due to the increased feeding of rye.

Second-hand stocks in German flour mills and warehouses showed a further increase as of November 1, and are now considerably above those for the same time a year ago. The increase is particularly notable in stocks of wheat and rye.

Together with the statistics on second-hand stocks the German Statistical Office now issues data on the milling of bread grains by flour mills. Those mills with a daily capacity of more than 110 bushels milled

12,566,000 bushels of wheat and 14,212,000 bushels of rye during October 1933. In September the same mills ground 13,338,000 bushels of wheat and 15,039,000 bushels of rye. Of the quantities milled in October 88,000 bushels of wheat and 1,929,000 bushels of rye were for feeding purposes.

On November 25, it was officially announced that a new German-Polish rye agreement had been completed and signed by representatives of both countries. The contents of the agreement are as yet unknown but are believed to provide for cooperation in the sales of rye for export. It is considered unlikely, however, that a joint selling organization, similar to that under the previous agreement between these two countries, will be established. Judged by the Press comments, the present agreement is not considered of great importance.

Boards of directors of the Prussian grainexchanges, now called wholesale grain markets, have recently been authorized to request their members for any information desired on business transactions. This was considered necessary in order to assure the proper carrying out of the fixed prices and the elimination of future trading.

France

The difficulties encountered in marketing the French wheat crop continue. Many flour mills are trying to close transactions at prices below those legally prescribed. On the other hand, flour mills which are overstocked are anxious that the system of fixed prices continue, and that the fixed prices are not lowered below levels now prevailing, because of the danger of significant losses on the wheat now stored.

Farm offerings have increased following the completion of fall work, but flour mills continue to meet with a slow demand for flour. Through an elaborate system of circumventing the minimum prices provincial flour mills are selling the wheat flour below the fixed price parity.

In order to offset some of the unfavorable features of the fixed price system, an amendment to the law was prepared by the French Parliament providing for certain reductions in the farm price to take care of: (1) Differences in freight from the farm to the flour mills; (2) a merchant's commission of Frs. 2.00 per 100 kilograms (13.4 cents per bushel converted on basis of average exchange during November).

In addition a tax of Frs. 2.00 per 100 kilograms must be paid by the producer for the creation of a fund for market intervention (feeding action, export premiums, etc.) It is also provided that each farmer will be fined Frs. 500.00 for each hectare ($12.69 per acre, converted on the basis of the average exchange during November) sown to wheat in excess of his average acreage during the last 3 years.

Farmers are very much dissatisfied and are asking for further assistance from the Government. Amongst other measures, they demand the discontinuance of future trading in grain. The Government, on the other hand, seems to be anxious to enforce existing legislation, and recently took

strong measures to penalize those who disregard the fixed price law. 1/

Business in foreign wheat was very small during November, and it is indicated by French trade reports that only durum wheat for Marseille semolina factories was purchased in any significant quantity. These purchases were mostly North African durum.

The Netherlands and Belgium

A fair amount of business was done in the Dutch and Belgian markets during the month of November, both for foreign account and for domestic consumption. The Netherlands purchased some Manitoba, Hungarian and Bahia wheat, whereas Belgium concentrated mostly on Manitobas, but recently also purchased some Hard Winter No. 2 - the first purchase of United States wheat in a long time. Early in the month Russian wheat was also in fair demand, particularly for British account. It is stated that Russian and German wheat give a rather desirable mixture for the British market. Manitoba as well as Hard Winter No. 1 was traded to the Rhineland.

Wheat stocks at Antwerp showed a considerable decrease, whereas Rotterdam stocks continued to increase. Rye imports into Belgium, as a result of recent measures, have almost ceased but domestic offers increased considerably.

It is reported that an increase in the wheat import tax from 10 to 15 or 20 Francs per 100 kilograms(12 to 18 or 24 cents per bushel converted on the basis of the average exchange during November) is being contemplated, together with an increase in the premium paid to farmers.

The Government of the Netherlands, as already mentioned under "Germany" purchased 3,000,000 bushels of German rye under a special payment agreement and was aided in disposing of this rye on the domestic market by the increase on November 18 of the Dutch grain import tariff by 1/2 Hfl. per 100 kilograms (9 cents per bushel converted on basis of the average exchange during November). This Government rye is said to be for feeding purposes only.

Czechoslovakia

As in the surrounding countries of Germany and Austria, the grain market in Czechoslovakia during November was rather firm although wheat prices were more or less unchanged at the end of the month as compared with 4 weeks ago. The trade attributes the steady wheat prices to recent market intervention on the part of the Central Cooperative Organization. This intervention was necessitated by a continued slow wheat flour business which prevented millers from making extensive commitments. Farm offerings of wheat were abundant, particularly toward the end of the month after completion of the field work.

It is thought that in the near future wheat prices will depend largely on the measures adopted by the Government or the grain organizations.

1/ Several flour millers were arrested for alleged purchase of wheat below the fixed minimum price.

A recent emergency decree authorizes the Minister of Finance to purchase domestic wheat in such quantities as will assure the stabilization of prices on a level considered "adequate". The Minister of Finance, in so-doing, must cooperate with the Minister of Agriculture and may confer this privilege of market intervention on other organizations. The Finance Minister is to guarantee all losses resulting and also grant credits for the stabilization purchases. This emergency decree is generally in line with authorizations granted around the middle of the year, but information received so far does not permit of a definite statement as to what the relation between the present emergency decree and the previous legislations really is.

In this connection, it is of interest to note that the previously accumulated fund of 60,000,000 Czechoslovakian Crowns ($2,856,000 converted on the basis of the average exchange during November) for rye supporting purchases will now also be used for wheat market support. Newspaper reports indicate that, upon authority of the Minister of Agriculture, the Central Cooperative Organization so far has purchased and stored 1,968,000 bushels of rye and 2,021,000 bushels of wheat. From this statement it may be concluded that the fund for rye price support must already have been used in the support of wheat prices. Quantities already purchased shall not be sold before wheat and rye prices have attained a more satisfactory level. As a considerably larger amount than indicated above was necessary for the acquisition of the mentioned quantities of rye and wheat, part of the funds needed for these purchases were obtained from the cooperatives and through loans on grain obtained from the National Bank.

A recent decree requires the reporting of all purchases of domestic wheat, rye, barley, and oats of over 276 bushels, if such purchases are effected for future resale and not for immediate use.

Recently the Czechoslovakian Grain Syndicate, entrusted with the supervision of imports, concluded an exchange deal for the importation of 1,100,000 bushels of Rumanian wheat in exchange for Czechoslovakian textile goods. This grain was originally reported to be destined for re-exportation, but recent information indicates that it is planned to sell the wheat in small quantities on the domestic market as the season progresses.

Another exchange trade concluded was made with Hungary and comprised 197,000 bushels of corn for import into Czechoslovakia.

Denmark

At the beginning of November, the Danish Ministry of Agriculture re-introduced in the Riksdag the bill for grain protection previously rejected by Parliament, with suggested amendments from the various parties. These amendments include the proposals that the grain and hog markets should be protected simultaneously by a system of interrelated measures, including premiums for the accumulation of a fund to be used in financing the distribution of meat to unemployed, etc. A milling quota of 60 percent for domestic wheat was also proposed. It is reported that numerous further modifying amendments are being suggested in Parliament and that, as a result, an early agreement is not expected.

Estonia

Under the grain protection law, the Government is expected to purchase rye from each farmer to the amount of 450 kilograms (17.7 bushels) at a price of .13 Estonian Crowns per kilogram (about 66 cents per bushel) the total purchases being estimated at around 394,000 bushels, whereas the total rye available for sale to the Government is now reported to be 1,890,000 bushels, as against 1,653,000 bushels previously reported. Owing to this abundance of domestic rye the Government has decided not to import any wheat or barley for the time being. At the same time it was decided to make an exchange trade with Lithuania by which a small quantity of linseed shall be imported into Estonia.

Lithuania

An early November report indicated that the Government plans an intensified control of the Lithuanian grain export trade, including control of quality, prices, etc. The trade fears that much of the business will pass over to the cooperatives and will thus put many grain dealers out of business.

Table 6.- United States: Exports of wheat and wheat including flour, by weeks, 1932-33 and 1933-34

Date	Wheat		Wheat flour		Wheat including flour	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 2 - July 29	1,962	21	206	169	2,931	815
July 30- Sept. 2	3,841	19	306	249	5,279	1,189
Sept. 3- Sept.30	1,692	133	202	156	2,642	865
Oct. 1- Oct. 28	2,030	13	209	121	3,013	581
Week ended						
Nov. 4.....	107	2	90	28	530	134
11.....	346	12	33	17	501	92
18	733	78	68	35	1,053	242
25.....	888	297	48	33	1,114	452
Dec. 2.....	858	543	73	52	1,201	787
9.	263	385	48	58	489	658

Compiled from a weekly report of the Bureau of Foreign and Domestic Commerce.

Table 7.- Wheat, including flour: Shipments from principal exporting regions, specified dates, 1932-33 and 1933-34

Date	Argentina		Australia		Danube		North America	
	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34	1932-33	1933-34
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 2 -July 29	3,264	14,140	7,672	8,728	208	0	22,896	14,296
July 30-Sept. 2	3,712	16,464	5,816	8,904	0	0	26,344	20,568
Sept.3 -Sept.30	3,368	7,896	6,228	7,548	16	1,008	25,200	17,328
Oct. 1- Oct. 28	2,876	4,772	6,912	4,012	360	2,832	33,864	21,136
Week ended								
Nov. 4	568	1,388	2,776	1,424	200	1,176	8,544	4,224
11	980	928	1,760	1,220	256	528	9,272	5,272
18	836	836	1,308	1,408	392	576	6,984	5,440
25	1,028	396	1,968	820	0	384	8,736	5,704
Dec. 2	808	1,344	1,856	1,622	56	760	12,904	6,276
9	872	590	888	1,125	0	360	7,200	4,005

Compiled from trade sources.

Table 8.-Wheat including flour: Movement from principal exporting countries, 1930-31 to 1933-34

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1930-31	1931-32	1932-33	1931-32	1932-33	1933-34	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	131,475	135,797	41,211	56,684	19,102	6,132	Oct. 31
Canada	267,365	199,563	267,342	96,296	142,483	102,786	Nov. 30
Argentina	120,636	144,920	120,272	32,403	17,878	48,000	Nov. 30
Australia	143,296	155,451	148,060	20,339	12,096	17,128	Aug. 31
Russia	111,780	71,829	19,183	42,895	6,511	8,545	Sept.30
Hungary	18,425	13,064	7,010	3,572	2,351	6,782	Sept.30
Yugoslavia	5,332	15,365	1,169	5,022	423	68	Aug. 31
Rumania	16,072	37,481	186	330	103	0	July 31
Bulgaria	5,041	11,795	3,144	887	298	292	July 31
British India (L&S)	10,197	1/2,913	1/ 871	1,241	1/ 312	1/ 188	Sept.30
Total	829,621	793,178	608,448	259,649	201,357	189,921	

	Shipments as given by current trade sources						
	Total		Week ended			July 1-Dec. 9	
	1931-32	1932-33	Nov. 25	Dec. 2	Dec. 9	1932	1933
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	332,638	298,514	5,704	6,276	4,005	161,944	104,249
Canada, 4 markets 3/	206,258	259,257	5,673	6,093	1,867	175,156	115,792
United States	135,797	41,211	452	787	658	26,764	8,489
Argentina	144,572	115,412	396	1,344	590	18,312	48,754
Australia	161,288	153,400	820	1,622	1,125	37,184	36,811
Russia 4/	71,664	17,408	1,400	1,024	632	13,696	15,608
Danube and Bulgaria 4/	39,280	1,704	384	760	360	1,488	7,624
British India	5/ 2,913	5/ 869	0	0	0	0	0
Total 6/	753,335	587,307	8,704	11,026	6,712	232,624	213,046
Total European shipments 2/	597,976	448,672	7,552			7/173,552	7/169,720
Total ex-European shipments 2/	194,464	164,454	2,112			7/ 49,971	7/40,688

Division of Statistical and Historical Research. Compiled from official and trade sources.

1/ Sea trade only, land trade not reported since September 1931.
2/ Broomhall's Corn Trade News.
3/ Fort William, Port Arthur, Vancouver, Prince Rupert and New Westminster.
4/ Black Sea shipments only.
5/ Total exports as given by official sources.
6/ Total of trade figures includes North America as reported by Broomhall's.
7/ To November 25.

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